

January 15, 2003

**Re: Jason Industries, Inc. 099-16503-00104**

TO: Interested Parties / Applicant

FROM: Paul Dubenetzky  
Chief, Permits Branch  
Office of Air Quality

**Notice of Decision: Approval - Effective Immediately**

Please be advised that on behalf of the Commissioner of the Department of Environmental Management, I have issued a decision regarding the enclosed matter. Pursuant to IC 13-15-5-3, this permit is effective immediately, unless a petition for stay of effectiveness is filed and granted according to IC 13-15-6-3, and may be revoked or modified in accordance with the provisions of IC 13-15-7-1.

If you wish to challenge this decision, IC 4-21.5-3 and IC 13-15-6-1 require that you file a petition for administrative review. This petition may include a request for stay of effectiveness and must be submitted to the Office of Environmental Adjudication, ISTA Building, 150 W. Market Street, Suite 618, Indianapolis, IN 46204, **within (18) eighteen days of the mailing of this notice**. The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing:

- (1) the date the document is delivered to the Office of Environmental Adjudication (OEA);
- (2) the date of the postmark on the envelope containing the document, if the document is mailed to OEA by U.S. mail; or
- (3) the date on which the document is deposited with a private carrier, as shown by receipt issued by the carrier, if the document is sent to the OEA by private carrier.

The petition must include facts demonstrating that you are either the applicant, a person aggrieved or adversely affected by the decision or otherwise entitled to review by law. Please identify the permit, decision, or other order for which you seek review by permit number, name of the applicant, location, date of this notice and all of the following:

- (1) the name and address of the person making the request;
- (2) the interest of the person making the request;
- (3) identification of any persons represented by the person making the request;
- (4) the reasons, with particularity, for the request;
- (5) the issues, with particularity, proposed for consideration at any hearing; and
- (6) identification of the terms and conditions which, in the judgment of the person making the request, would be appropriate in the case in question to satisfy the requirements of the law governing documents of the type issued by the Commissioner.

If you have technical questions regarding the enclosed documents, please contact the Office of Air Quality, Permits Branch at (317) 233-0178. Callers from within Indiana may call toll-free at 1-800-451-6027, ext. 3-0178.

Enclosure

FNPER.wpd 8/21/02

January 15, 2003

Mr. Robert Keller  
Jason Industries, Inc.  
1500 West Lusher Avenue  
Elkhart, IN 46517

Re: **099-16503-00104**  
Significant Source Modification to:  
Part 70 permit No.: **T039-7653-00104**

Dear Mr. Keller:

Jason Industries, Inc. was issued Part 70 operating permit T039-7653-00104 on July 17, 2001 for a stationary fiberglass vehicle parts manufacturing and painting operation. An application to modify the source was received on August 23, 2002.. Pursuant to 326 IAC 2-7-10.5 the following emission units are approved for construction at the source:

The modification consists of:

- (a) two (2) surface coating booths (Units EU7 and EU8),
- (b) two (2) paint bake ovens (Units EU9 and EU10),
- (c) two (2) touch-up paint booths (Units EU11, and EU12), and
- (d) one (1) paint mixing area (Unit EU13),

and the following insignificant activities:

- (a) natural gas-fired combustion sources with heat input equal to or less than 10 MMBtu/hr, and
- (b) water based adhesives that are less than or equal to 5% by volume of VOCs, excluding HAPs.

The following construction conditions are applicable to the proposed project:

General Construction Conditions

1. The data and information supplied with the application shall be considered part of this source modification approval. Prior to any proposed change in construction which may affect the potential to emit (PTE) of the proposed project, the change must be approved by the Office of Air Quality (OAQ).
2. This approval to construct does not relieve the permittee of the responsibility to comply with the provisions of the Indiana Environmental Management Law (IC 13-11 through 13-20; 13-22 through 13-25; and 13-30), the Air Pollution Control Law (IC 13-17) and the rules promulgated thereunder, as well as other applicable local, state, and federal requirements.
3. Effective Date of the Permit  
Pursuant to IC 13-15-5-3, this approval becomes effective upon its issuance.
4. Pursuant to 326 IAC 2-1.1-9 and 326 IAC 2-7-10.5(i), the Commissioner may revoke this approval if construction is not commenced within eighteen (18) months after receipt of this approval or if construction is suspended for a continuous period of one (1) year or more.

5. All requirements and conditions of this construction approval shall remain in effect unless modified in a manner consistent with procedures established pursuant to 326 IAC 2.
6. Pursuant to 326 IAC 2-7-10.5(l) the emission units constructed under this approval shall not be placed into operation prior to revision of the source's Part 70 Operating Permit to incorporate the required operation conditions.

This significant source modification authorizes construction of the new emission units. Operating conditions shall be incorporated into the Part 70 operating permit as a significant permit modification in accordance with 326 IAC 2-7-10.5(l)(2) and 326 IAC 2-7-12. Operation is not approved until the significant permit modification has been issued.

This decision is subject to the Indiana Administrative Orders and Procedures Act - IC 4-21.5-3-5. If you have any questions on this matter call (800) 451-6027, press 0 and ask for Scott Fulton or extension (3-5691), or dial (317) 233-5691.

Sincerely,

Original Signed by Paul Dubenetzky  
Paul Dubenetzky, Chief  
Permits Branch  
Office of Air Quality

Attachments

SDF

cc: File - Elkhart County  
U.S. EPA, Region V  
Elkhart County Health Department  
Northern Regional Office  
Air Compliance Section Inspector - Paul Karkiewicz, Tony Pelath  
Compliance Data Section - Karen Nowak  
Administrative and Development  
Technical Support and Modeling - Michele Boner

# **PART 70 SIGNIFICANT SOURCE MODIFICATION OFFICE OF AIR QUALITY**

**Jason Industries Inc.  
1500 West Lusher  
Elkhart, Indiana 46517**

(herein known as the Permittee) is hereby authorized to construct and operate subject to the conditions contained herein, the emission units described in Section A (Source Summary) of this approval.

This approval is issued in accordance with 326 IAC 2 and 40 CFR Part 70 Appendix A and contains the conditions and provisions specified in 326 IAC 2-7 as required by 42 U.S.C. 7401, et. seq. (Clean Air Act as amended by the 1990 Clean Air Act Amendments), 40 CFR Part 70.6, IC 13-15 and IC 13-17.

Source Modification No.: 039-16503-00104	
Issued by: Original Signed by Paul Dubenetzky Paul Dubenetzky, Branch Chief Office of Air Quality	Issuance Date: January 15, 2003

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## SECTION A

## SOURCE SUMMARY

This permit is based on information requested by the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ). The information describing the source contained in Conditions A.1 through A.4 is descriptive information and does not constitute enforceable conditions. However, the Permittee should be aware that a physical change or a change in the method of operation that may render this descriptive information obsolete or inaccurate may trigger requirements for the Permittee to obtain additional permits or seek modification of this permit pursuant to 326 IAC 2, or change other applicable requirements presented in the permit application.

### A.1 General Information [326 IAC 2-7-4(c)] [326 IAC 2-7-5(15)] [326 IAC 2-7-1(22)]

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The Permittee owns and operates a stationary fiberglass vehicle parts manufacturing and painting source.

Responsible Official:	Lon Franklin
Source Address:	1500 West Lusher, Elkhart, Indiana 46517
Mailing Address:	1500 West Lusher, Elkhart, Indiana 46517
General Source Phone Number:	574 - 294 - 7595
SIC Code:	3792
County Location:	Elkhart
Source Location Status:	Attainment for all criteria pollutants
Source Status:	Part 70 Permit Program Major Source, under PSD Rules; Major Source, Section 112 of the Clean Air Act

### A.2 Part 70 Source Definition [326 IAC 2-7-1(22)]

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This fiberglass vehicle parts manufacturing and painting company consists of three (3) plants:

- (a) Plant 1 is located at 1500 West Lusher, Elkhart, Indiana;
- (b) Plant 2 is located at 1500 West Lusher, Elkhart, Indiana; and
- (c) Plant 3 is located at 1500 West Lusher, Elkhart, Indiana.

Since the three (3) plants are located on contiguous properties, belong to the same industrial grouping, and under common control of the same entity, they will be considered one (1) source, effective from the date of issuance of this Part 70 permit. This determination was made in CP 039-3693-00104, issued on September 9, 1994.

### A.3 Emission Units and Pollution Control Equipment Summary [326 IAC 2-7-4(c)(3)] [326 IAC 2-7-5(15)]

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This stationary source consists of the following emission units and pollution control devices:

- (a) One (1) gelcoat booth, known as EU1, located in Plant 1, equipped with air-assisted airless or airless spray applicators, equipped with dry filters for overspray control, equipped with a 12,800 cubic feet per minute exhaust fan, exhausting through Stack 1, capacity: 8.0 fiberglass parts per hour.
- (b) One (1) resin chop booth, known as EU2, located in Plant 1, equipped with a chopper system and one (1) wet out gun for rail lamination, equipped with dry filters for overspray control, equipped with a 12,800 cubic feet per minute exhaust fan, exhausting through Stack 2, capacity: 7.0 fiberglass parts per hour.

- (c) One (1) base coat spray booth, known as EU3, located in Plant 1, equipped with high volume low pressure (HVLP) spray applicators, equipped with dry filters for overspray control, equipped with a 5,000 cubic feet per minute exhaust fan, exhausting through Stack 3, capacity: 8.0 fiberglass parts per hour.
- (d) Two (2) cutting, grinding and preparation areas, located in Plant 1, equipped with one (1) recirculating baghouse dust collector for particulate matter control, known as BH-1, exhausted through Stack 7 at 10,000 cubic feet per minute, capacity: 700 pounds of fiberglass per hour.
- (e) One (1) clear coat spray booth, known as EU4, located in Plant 1, equipped with high volume low pressure (HVLP) spray applicators, equipped with dry filters for overspray control, equipped with a 11,000 cubic feet per minute exhaust fan, exhausting through Stack 4, capacity: 6.0 fiberglass parts per hour.
- (f) One (1) gelcoat booth, known as EU5, located in Plant 2, equipped with air assisted airless or airless spray applicators, equipped with dry filters for overspray control, equipped with a 3,000 cubic feet per minute exhaust fan, exhausting through Stack 5, capacity: 6.0 fiberglass parts per hour.
- (g) One (1) resin chop booth, known as EU6, located in Plant 2, equipped with a chopper system and ceramic/dualite bed coat spray system, equipped with dry filters for overspray control, equipped with a 5,000 cubic feet per minute exhaust fan, exhausting through Stack 6, capacity: 3.0 fiberglass parts per hour.
- (h) One (1) surface coating spray booth, identified as EU7, located in Plant 3, equipped with high volume low pressure (HVLP) spray applicators, applying basecoats at a maximum rate of 3.52 gallons per hour and utilizing thinner and clean-up solvents at a maximum rate of 16 ounces per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 8.
- (i) One (1) surface coating spray booth, identified as EU8, located in Plant 3, equipped with high volume low pressure (HVLP) spray applicators, applying clear coats at a maximum rate of 2.88 gallons per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 9.
- (j) One (1) 0.60 MMBtu/hr natural gas fired paint bake oven, identified as EU9, located in Plant 3, with emissions exhausted through Stack 10.
- (k) One (1) 0.60 MMBtu/hr natural gas fired paint bake oven, identified as EU10, located in Plant 3, with emissions exhausted through Stack 11.
- (l) One (1) surface coating touch-up spray booth, identified as EU11, located in Plant 3, equipped with high volume low pressure (HVLP) spray applicators, applying touch-up coatings at a maximum rate of 5 ounces per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 12.
- (m) One (1) surface coating touch-up spray booth, identified as EU12, located in Plant 1, equipped with high volume low pressure (HVLP) spray applicators, applying touch-up coatings at a maximum rate of 5 ounces per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 13.



- (n) One (1) Paint Mixing Room, identified as EU13, located in Plant 1, with emissions exhausted through Stack V14.

A.4 Specifically Regulated Insignificant Activities [326 IAC 2-7-1(21)] [326 IAC 2-7-4(c)] [326 IAC 2-7-5(15)]

This stationary source also includes the following insignificant activities which are specifically regulated, as defined in 326 IAC 2-7-1(21):

- (a) Trimmers that do not produce fugitive emissions and that are equipped with a dust collection or trim material recovery device such as a bag filter or cyclone. [326 IAC 6-3-2]
- (b) Two (2) M-1/M-2 Grayson high shear resin mixers, Plants 1 and 2. [326 IAC 6-3-2]
- (c) M-2 Grayson low speed resin suspension mixer, Plant 1. [326 IAC 6-3-2]
- (d) Two (2) portable self contained dust collectors, located in Plant 3. [326 IAC 6-3-2]

A.5 Part 70 Permit Applicability [326 IAC 2-7-2]

This stationary source is required to have a Part 70 permit by 326 IAC 2-7-2 (Applicability) because:

- (a) It is a major source, as defined in 326 IAC 2-7-1(22);
- (b) It is a source in a source category designated by the United States Environmental Protection Agency (U.S. EPA) under 40 CFR 70.3 (Part 70 - Applicability).

## SECTION D.1

## FACILITY OPERATION CONDITIONS

### Facility Description [326 IAC 2-7-5(15)]:

- (a) One (1) gelcoat booth, known as EU1, located in Plant 1, equipped with air-assisted airless or airless spray applicators, equipped with dry filters for overspray control, equipped with a 12,800 cubic feet per minute exhaust fan, exhausting through Stack 1, capacity: 8.0 fiberglass parts per hour.
- (b) One (1) resin chop booth, known as EU2, located in Plant 1, equipped with a chopper system and one (1) wet out gun for rail lamination, equipped with dry filters for overspray control, equipped with a 12,800 cubic feet per minute exhaust fan, exhausting through Stack 2, capacity: 7.0 fiberglass parts per hour.
- (c) One (1) base coat spray booth, known as EU3, located in Plant 1, equipped with high volume low pressure (HVLP) spray applicators, equipped with dry filters for overspray control, equipped with a 5,000 cubic feet per minute exhaust fan, exhausting through Stack 3, capacity: 8.0 fiberglass parts per hour.
- (d) Two (2) cutting, grinding and preparation areas, located in Plant 1, equipped with one (1) recirculating baghouse dust collector for particulate matter control, known as BH-1, exhausted through Stack 7 at 10,000 cubic feet per minute, capacity: 700 pounds of fiberglass per hour.
- (e) One (1) clear coat spray booth, known as EU4, located in Plant 1, equipped with high volume low pressure (HVLP) spray applicators, equipped with dry filters for overspray control, equipped with a 11,000 cubic feet per minute exhaust fan, exhausting through Stack 4, capacity: 6.0 fiberglass parts per hour.
- (f) One (1) gelcoat booth, known as EU5, located in Plant 2, equipped with air assisted airless or airless spray applicators, equipped with dry filters for overspray control, equipped with a 3,000 cubic feet per minute exhaust fan, exhausting through Stack 5, capacity: 6.0 fiberglass parts per hour.
- (g) One (1) resin chop booth, known as EU6, located in Plant 2, equipped with a chopper system and ceramic/dualite bed coat spray system, equipped with dry filters for overspray control, equipped with a 5,000 cubic feet per minute exhaust fan, exhausting through Stack 6, capacity: 3.0 fiberglass parts per hour.

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

### Emission Limitations and Standards [326 IAC 2-7-5(1)]

#### D.1.1 BACT [326 IAC 8-1-6]

Pursuant to 326 IAC 8-1-6 (New facilities: general reduction requirements), BACT for emission units EU1, EU2, EU3, EU4, EU5, and EU6, is the following:

- (a) The use of the as-installed HVLP spray applicators for emission units EU1, EU2, EU3, EU4, EU5, and EU6,

- (b) The volatile organic compound (VOC) emissions from emission units EU1, EU2, EU3, and EU4, shall be limited to 150 tons per year, based on a 12 month rolling total, with compliance determined at the end of each month. Compliance with this limit and the limit of Part (c) of this Condition shall render 326 IAC 2-2 (Prevention of Significant Deterioration) and 40 CFR 52.21 not applicable in this case.
- (c) The VOC emissions from emission units EU5 and EU6 shall be limited to less than 99 tons per year, based on a 12 month rolling total, with compliance determined at the end of each month. Compliance with this limit and the limit of Part (b) of this Condition shall render 326 IAC 2-2 (Prevention of Significant Deterioration) and 40 CFR 52.21 not applicable in this case.
- (d) Compliance with the limits of Parts (b) and (c) of this condition shall be determined based upon the following criteria:
- (1) Volatile organic compound emissions shall be calculated by multiplying the usage of each gel coat and resin by the emission factor that is appropriate for the monomer content, method of application and other emission reduction techniques for each gel coat and resin, and summing the emissions for all gel coats and resins. Emission factors shall be obtained from the reference approved by IDEM, OAQ.
  - (2) The emission factors approved for use by IDEM, OAQ shall be taken from the following reference: "Unified Emission Factors for Open Molding of Composites," Composites Fabricators Association, April 1999, with the exception of the emission factors for controlled spray application. For HAP-emitting operations not addressed by this reference, emission factors shall be taken from U.S. EPA's AP-42 document. For the purposes of these emission calculations, HAP monomer in resins and gel coats that is not styrene or methyl methacrylate shall be considered as styrene on an equivalent weight basis.
  - (3) Coating information obtained from each coating's as applied and as supplied VOC data sheets and coating usage information.
- (e) The HAP monomer content of resins and gel coats used shall be limited to the following or their equivalent on an emissions mass basis:

Type of Gel Coat or Resin	HAP Monomer Content % by weight
Production <sup>1</sup> Gel Coat	37
Tooling <sup>2</sup> Gel Coat	38
Production Filled Resin <sup>3</sup>	38
Tooling Resin	43

<sup>1</sup> Production refers to the manufacture of parts.

<sup>2</sup> Tooling refers to the manufacture of the molds from which parts are manufactured.

<sup>3</sup> Filled resin means a resin containing inert filler material equal to or greater than thirty-five percent (35%) by weight pursuant to 326 IAC 20-25-2(12).

HAP monomer contents shall be calculated on an unfilled basis, which means excluding any filler. Compliance with these HAP monomer content limits shall be demonstrated on a monthly basis.

Gel coats or resins with HAP monomer contents lower than those specified in the table in this subsection or additional emission reduction techniques approved by IDEM, OAQ may be used to offset the use of gel coats or resins with HAP monomer contents higher than those specified in the table in this subsection. This is allowed to meet the HAP monomer content limits for resins and gel coats and shall be calculated on an equivalent emissions mass basis as shown below:

(Emissions from higher than compliant HAP monomer content resin or gel coat) - (Emissions from compliant resin or gel coat) # (Emissions from compliant resin or gel coat) - (Emissions from lower than compliant resin or gel coat and/or using other emission reduction techniques).

Where: Emissions, lb or ton = M (Mass of resin or gel coat used, lb or ton) \* EF (HAP monomer emission factor for resin or gel coat used);  
EF, HAP monomer emission factor = emission factor, expressed as pounds (lbs) VOC or HAP emitted per ton of resin/gel coat processed, which is indicated by the HAP monomer content, method of application, and other emission reduction techniques for each resin and gel coat used.

- (f) Non-atomized spray application technology shall be used to apply unfilled production resins. Non-atomized spray application technology includes flow coaters, flow choppers, pressure-fed rollers, or other non-spray applications of a design and specifications approved by IDEM, OAQ.

If it is not possible to apply a portion of unfilled resins with non-atomized spray application technology, equivalent emissions reductions must be obtained via use of other emission reduction techniques. Examples of other emission reduction techniques include, but are not limited to, lower HAP monomer content resins and gel coats, closed molding, vapor suppression, vacuum bagging/bonding, or installing a control device.

- (g) Optimized spray techniques according to a manner approved by IDEM, OAQ shall be used for the application of all gel coats and filled resins (where fillers are required for corrosion or fire retardant purposes) at all gel coat booth production operations. A filled resin means a resin containing inert filler material equal to or greater than thirty-five percent by weight pursuant to 326 IAC 20-25-2(12). Pursuant to 326 IAC 20-25-2(16) an inert filler means any non-HAP material, such as silica micro-spheres or micro-balloons, added to a resin or gel coat to alter density of the resin or gelcoat or change other physical properties of the resin or gel coat. This term does not include pigments. Optimized spray techniques include, but are not limited to, the use of airless, air assisted airless, high volume low pressure (HVLP), or other spray applicators demonstrated to the satisfaction of IDEM, OAM, to be equivalent to the spray applicators listed above.

HVLP spray is the technology used to apply material to substrate by means of application equipment that operates between one-tenth (0.1) and ten (10) pounds per square inch gauge (psig) air pressure measured dynamically at the center of the air cap and at the air horns of the spray system.

(h) The listed work practices shall apply to emission units EU1, EU2, EU3, EU4, EU5, and EU6:

(1) To the extent possible, non-VOC, non-HAP solvent shall be used for cleanup.

(2) For VOC and/or HAP containing materials:

(A) Cleanup solvent containers shall be used to transport solvent from drums to work.

(B) Cleanup stations shall be closed containers having soft gasketed spring-loaded closures and shall be kept completely closed when not in use.

(C) Cleanup rags saturated with solvent shall be stored, transported, and disposed of in containers that are closed tightly.

(D) The spray guns used shall be the type that can be cleaned without the need for spraying the solvent into the air.

(E) All solvent sprayed during cleanup or resin changes shall be directed into containers. Such containers shall be closed as soon as solvent spraying is complete and the waste solvent shall be disposed of in such a manner that evaporation is minimized.

(F) Storage containers shall be kept covered when not in use.

(i) CP 039-3693-00104 issued on September 9, 1994

Operation Condition #4, limiting VOC emissions from Plant 2 to 24.0 tons per rolling 12-month period. The following flash-off emission factors shall apply for the facilities materials and operations: polyester resin - 11%, polyester gelcoat - 30.5%, and flush - 100%.

Reason not incorporated: The limit was written to render the requirements of 326 IAC 8-1-6 not applicable. The BACT determination for the Plant 2 fiberglass operations satisfies 326 IAC 8-1-6. Therefore, this twenty four (24) ton per year limit has been replaced by the 90.1 tons per twelve (12) consecutive month period limit coupled with the BACT conditions. The emission factors have also been replaced by the emission factors cited in (b)(3)(B) of this condition.

#### D.1.2 Particulate Matter (PM) [326 IAC 6-3-2]

The PM from the six (6) spray booths (EU1 through EU6) shall not exceed the pound per hour emission rate established as E in either of the appropriate following formulas:

(a) Interpolation of the data for the process weight rate up to sixty thousand (60,000) pounds per hour shall be accomplished by use of the equation:

$$E = 4.10 P^{0.67} \quad \text{where } E = \text{rate of emission in pounds per hour; and} \\ P = \text{process weight rate in tons per hour}$$

or

(b) Interpolation and extrapolation of the data for the process weight rate in excess of sixty thousand (60,000) pounds per hour shall be accomplished by use of the equation:

$$E = 55.0 P^{0.11} - 40 \quad \text{where } E = \text{rate of emission in pounds per hour; and} \\ P = \text{process weight rate in tons per hour}$$

**D.1.3 Preventive Maintenance Plan [326 IAC 2-7-5(13)]**

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for these facilities and any control devices.

**Compliance Determination Requirements**

**D.1.4 Volatile Organic Compounds (VOC)**

Compliance with the VOC/HAP monomer content and usage limitations contained in Condition D.1.1 shall be determined pursuant to 326 IAC 8-1-4(a)(3) and 326 IAC 8-1-2(a) using formulation data supplied by the coating manufacturer.

**D.1.5 VOC Emissions**

Compliance with Condition D.1.1 shall be demonstrated within 30 days of the end of each month based on the total volatile organic compound usage for the twelve (12) month period.

**Compliance Monitoring Requirements [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]**

**D.1.6 Particulate Matter (PM)**

The dry filters for PM control shall be in operation and control emissions from the six (6) spray booths, EU1 through EU6, at all times when any of the six (6) spray booths are in operation.

**D.1.7 Monitoring**

- (a) Daily inspections shall be performed to verify the placement, integrity and particle loading of the filters. To monitor the performance of the dry filters, weekly observations shall be made of the overspray from the six (6) spray booth Stacks 1, 2, 3, 4, 5, and 6 while one or more of the booths are in operation. The Compliance Response Plan shall be followed whenever a condition exists which should result in a response step. Failure to take response steps in accordance with Section C - Compliance Monitoring Plan - Failure to Take Response Steps, shall be considered a violation of this permit.
- (b) Monthly inspections shall be performed of the coating emissions from the stack and the presence of overspray on the rooftops and the nearby ground. The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when a noticeable change in overspray emission, or evidence of overspray emission is observed. The Compliance Response Plan shall be followed whenever a condition exists which should result in a response step. Failure to take response steps in accordance with Section C - Compliance Monitoring Plan - Failure to Take Response Steps, shall be considered a violation of this permit.
- (c) Additional inspections and preventive measures shall be performed as prescribed in the Preventive Maintenance Plan.

**Record Keeping and Reporting Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-19]**

**D.1.8 Record Keeping Requirements**

- (a) To document compliance with Condition D.1.1, the Permittee shall maintain records in accordance with (1) through (6) below. Records maintained for (1) through (6) shall be taken monthly and shall be complete and sufficient to establish compliance with the VOC usage limits and VOC/HAP monomer content limits established in Condition D.1.1.

- (1) The amount, VOC content and VOC/HAP monomer content of each resin, gelcoat, coating, and solvent used. Records shall include purchase orders, invoices, and material safety data sheets (MSDS) necessary to verify the type and amount used. Solvent usage records shall differentiate between those added to coatings and those used as cleanup solvents;
  - (2) A log of the dates of use;
  - (3) The HAP monomer content for resins and gelcoats calculated on an equivalent mass basis for each month in which noncompliant resins or gelcoats are used.
  - (4) The VOC and HAP containing cleanup solvent usage for each month;
  - (5) The total VOC and volatile organic HAP usage for each month; and
  - (6) The weight of VOCs and volatile organic HAPs emitted for each compliance period.
- (b) To document compliance with Condition D.1.6 and D.1.7, the Permittee shall maintain a log of weekly overspray observations, daily and monthly inspections, and those additional inspections prescribed by the Preventive Maintenance Plan.
- (c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

#### D.1.9 Reporting Requirements

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A quarterly summary of the information to document compliance with Condition D.1.1 shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

## SECTION D.2

## FACILITY OPERATION CONDITIONS

### Facility Description [326 IAC 2-7-5(15)]:

- (d) One (1) cutting, grinding and preparation area, equipped with one (1) recirculating baghouse dust collector for particulate matter control, known as BH-1, exhausted through Stack 7 at 10,000 cubic feet per minute, capacity: 700 pounds of fiberglass per hour.

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

### Emission Limitations and Standards [326 IAC 2-7-5(1)]

#### D.2.1 Particulate Matter (PM) [326 IAC 6-3-2]

Pursuant to 326 IAC 6-3-2 (Process Operations), the allowable PM emission rate from the cutting, grinding and preparation area shall not exceed 2.03 pounds per hour when operating at a process weight rate of 700 pounds per hour.

The pounds per hour limitation was calculated with the following equation:

Interpolation of the data for the process weight rate up to 60,000 pounds per hour shall be accomplished by use of the equation:

$$E = 4.10 P^{0.67} \quad \text{where} \quad \begin{array}{l} E = \text{rate of emission in pounds per hour; and} \\ P = \text{process weight rate in tons per hour} \end{array}$$

### Compliance Determination Requirements

#### D.2.2 Particulate Matter (PM)

The baghouse for PM control shall be in operation and control emissions from the cutting, grinding and preparation area at all times that the cutting, grinding and preparation are in operation.

### Compliance Monitoring Requirements [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

#### D.2.3 Visible Emissions Notations

- (a) Visible emission notations of the baghouse stack exhaust shall be performed once per shift during normal daylight operations when exhausting to the atmosphere. A trained employee shall record whether emissions are normal or abnormal.
- (b) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.
- (c) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.
- (d) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.



- (e) The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an abnormal emission is observed. Failure to take response steps in accordance with Section C - Compliance Monitoring Plan - Failure to Take Response Steps, shall be considered a violation of this permit.

#### D.2.4 Parametric Monitoring

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The Permittee shall record the total static pressure drop across the baghouse used in conjunction with the cutting, grinding and preparation area processes, at least once per shift when these processes are in operation when venting to the atmosphere. Unless operated under conditions for which the Compliance Response Plan specifies otherwise, the pressure drop across the baghouse shall be maintained within the range of 1.0 and 3.0 inches of water or a range established during the latest stack test. The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when the pressure reading is outside of the above mentioned range for any one reading. Failure to take response steps in accordance with Section C - Compliance Monitoring Plan - Failure to Take Response Steps, shall be considered a violation of this permit.

The instrument used for determining the pressure shall comply with Section C - Pressure Gauge and Other Instrument Specifications, of this permit, shall be subject to approval by IDEM, OAQ, and shall be calibrated at least once every six (6) months.

#### D.2.5 Baghouse Inspections

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An inspection shall be performed each calendar quarter of all bags controlling the cutting, grinding and preparation area operations when venting to the atmosphere. A baghouse inspection shall be performed within three months of redirecting vents to the atmosphere and every three months thereafter. Inspections are optional when venting to the indoors. All defective bags shall be replaced.

#### D.2.6 Broken or Failed Bag Detection

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In the event that bag failure has been observed:

- (a) For multi-compartment units, the affected compartments will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if there are no visible emissions or if the event qualifies as an emergency and the Permittee satisfies the emergency provisions of this permit (Section B- Emergency Provisions). Within eight (8) business hours of the determination of failure, response steps according to the timetable described in the Compliance Response Plan shall be initiated. For any failure with corresponding response steps and timetable not described in the Compliance Response Plan, response steps shall be devised within eight (8) business hours of discovery of the failure and shall include a timetable for completion. Failure to take response steps in accordance with Section C - Compliance Monitoring Plan - Failure to Take Response Steps, shall be considered a violation of this permit.
- (b) For single compartment baghouses, failed units and the associated process will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).

## **Record Keeping and Reporting Requirement [326 IAC 2-7-5(3)] [326 IAC 2-7-19]**

### **D.2.7 Record Keeping Requirements**

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- (a) To document compliance with Condition D.2.3, the Permittee shall maintain records of visible emission notations of the baghouse stack exhaust once per shift.
- (b) To document compliance with Condition D.2.4, the Permittee shall maintain the following:
  - (1) Records of the following operational parameters during normal operation when venting to the atmosphere once per shift:
    - (A) Inlet and outlet differential static pressure; and
    - (B) Cleaning cycle operation.
  - (2) Documentation of the dates vents are redirected.
- (c) To document compliance with Condition D.2.5, the Permittee shall maintain records of the results of the inspections required under Condition D.2.5 and the dates the vents are redirected.
- (d) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

## SECTION D.3

## FACILITY OPERATION CONDITIONS

### Facility Description [326 IAC 2-7-5(15)]: Insignificant Activities

- (a) Trimmers that do not produce fugitive emissions and that are equipped with a dust collection or trim material recovery device such as a bag filter or cyclone. [326 IAC 6-3-2]
- (b) Two (2) M-1/M-2 Grayson high shear resin mixers, Plants 1 and 2. [326 IAC 6-3-2]
- (c) M-2 Grayson low speed resin suspension mixer, Plant 1. [326 IAC 6-3-2]
- (d) Two (2) portable self contained dust collectors, located in Plant 3. [326 IAC 6-3-2]

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

### Emission Limitations and Standards [326 IAC 2-7-5(1)]

#### D.3.1 Particulate Matter (PM) [326 IAC 6-3-2]

Pursuant to 326 IAC 6-3-2 (Process Operations), the allowable PM emission rate from the trimmers, mixers and the portable self contained dust collector in the assembly area shall not exceed the allowable PM emission rate based on the following equation:

Interpolation of the data for the process weight rate up to 60,000 pounds per hour shall be accomplished by use of the equation:

$$E = 4.10 P^{0.67} \quad \text{where } E = \text{rate of emission in pounds per hour; and} \\ P = \text{process weight rate in tons per hour}$$

## SECTION D.4

## FACILITY OPERATION CONDITIONS

### Facility Description [326 IAC 2-7-5(15)]:

- (a) One (1) surface coating spray booth, identified as EU7, located in Plant 3, equipped with high volume low pressure (HVLP) spray applicators, applying basecoats at a maximum rate of 3.52 gallons per hour and utilizing thinner and clean-up solvents at a maximum rate of 16 ounces per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 8.
- (b) One (1) surface coating spray booth, identified as EU8, located in Plant 3, equipped with high volume low pressure (HVLP) spray applicators, applying clear coats at a maximum rate of 2.88 gallons per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 9.
- (c) One (1) 0.60 MMBtu/hr natural gas fired paint bake oven, identified as EU9, located in Plant 3, with emissions exhausted through Stack 10.
- (d) One (1) 0.60 MMBtu/hr natural gas fired paint bake oven, identified as EU10, located in Plant 3, with emissions exhausted through Stack 11.
- (e) One (1) surface coating touch-up spray booth, identified as EU11, located in Plant 3, equipped with high volume low pressure (HVLP) spray applicators, applying touch-up coatings at a maximum rate of 5 ounces per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 12.
- (f) One (1) surface coating touch-up spray booth, identified as EU12, located in Plant 1, equipped with high volume low pressure (HVLP) spray applicators, applying touch-up coatings at a maximum rate of 5 ounces per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 13.
- (g) One (1) Paint Mixing Room, identified as EU13, located in Plant 1, with emissions exhausted through Stack V14.

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

### Emission Limitations and Standards [326 IAC 2-7-5(1)]

#### D.4.1 State BACT Requirements [326 IAC 8-1-6]

Pursuant to 326 IAC 8-1-6 (New facilities: general reduction requirements), the owner or operator shall, for Units EU7, EU8, EU11 and EU12, comply with the following:

- (a) The owner or operator shall use HVLP spray applicators;
- (b) The owner or operator shall limit the combined volatile organic compound (VOC) emissions to less than or equal to 67 tons per year, based on a 12 month rolling total. Compliance with this limit shall satisfy the requirements of 326 IAC 8-1-6 and render 326 IAC 2-2 (Prevention of Significant Deterioration) and 40 CFR 52.21 not applicable in this case;

(c) The owner or operator shall comply with the following work practice requirements:

(1) All coatings shall be applied according to the methods specified in the training program required in Part (e) of this Condition.

(2) All surface coating equipment shall be cleaned as follows:

(A) The surface coating equipment shall, when feasible, be cleaned utilizing water based solvents only.

(B) When flushing the surface coating equipment during clean-up and/or coating changes, the owner or operator shall utilize water based solvents when feasible and direct the flushing solvents into solvent collection containers.

(3) All of the following materials shall be stored in closed containers:

(A) all surface coatings applied that contain volatile organic compounds (VOC),

(B) all other useable materials that contain VOCs,

(C) all clean-up rags that contain VOCs, and

(D) all waste materials that contain VOCs.

All materials not listed in (c)(3)(A) through (c)(3)(D) may be stored in any type of container, but shall be stored in such a manner as to minimize the potential for spills and other pollutant emissions;

and

(4) Each container subject to the requirements of this Condition shall be maintained such that:

(A) there are no visible gaps when the lid is closed,

(B) each applicable container closed at all times, except when:

(i) equipment is being placed in or removed from the container,

(ii) VOC containing materials are being added or removed,

(iii) mixing equipment is being placed into or removed from a container, or

(iv) when mixing or container cleanup is taking place; and

(C) the potential for spills and other pollutant emissions is minimized.

(d) The owner or operator shall handle all materials and wastes according to the methods and procedures specified in the training program required in Part (e) of this condition.

(e) The owner or operator shall develop and implement a training program for all new and existing personnel, including contract personnel, whose activities may reasonably be expected to directly affect VOC emissions from all operations associated with surface coating units EU7, EU8, EU11, and EU12, based on the following requirements.

(1) Training Techniques and Procedures:

The training program shall consist of initial and refresher training, with said training including, at a minimum, the appropriate:

- (A) application techniques,
- (B) equipment cleaning procedures,
- (C) equipment setup and adjustment to minimize material usage and overspray, and
- (D) other material storage and handling techniques that minimize regulated pollutant emissions.

(2) Training Schedule:

Each applicable employee shall be trained the techniques and procedures required in this Condition according to the following schedules:

- (A) All applicable personnel hired after issuance of this permit, shall be trained within fifteen (15) days of hiring, unless the person(s) hired has written documentation demonstrating that they have up-to-date training, and has provided documentation to the new employer demonstrating that they have received training that satisfies the requirements of the training program required in this condition.
- (B) All applicable personnel hired prior to issuance of this permit, shall be evaluated by a supervisor within 30 days of the date of issuance of this permit. Should the supervisor determine that training of any evaluated employee is required, the owner or operator shall train said employee within fifteen (15) days of the evaluation.
- (C) All applicable personnel subject to the training requirements of this Condition shall be given refresher training annually, to ensure that the training goals of this Condition are maintained.

D.4.2 Hazardous Air Pollutant (HAP) Emission Limitations [326 IAC 2-4.1]

The owner or operator shall limit the single and combined HAP potential to emit from units EU7, EU8, EU11, EU12, and EU13 to less than 10 and 25 tons per consecutive 12 month period, respectively, with compliance being demonstrated at the end of each month. Compliance with these limits shall render the requirements of 326 IAC 2-4.1 not applicable in this case.

D.4.3 Particulate Matter (PM) Overspray Control Requirements [326 IAC 6-3]

Pursuant to 326 IAC 6-3-2(d), the owner or operator shall install, operate, and maintain a dry particulate filter, waterwash, or equivalent control system at Units EU7, EU8, EU11, and EU12. Said control systems shall be operated in accordance with the manufacturer's specifications.

D.4.4 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for these facilities and any control devices.

D.4.5 Operation of Control Equipment

The dry filter system(s) of the Units EU7, EU8, EU11, and EU12, shall be in operation at all times the respective unit(s) is/are in operation.

**Compliance Determination Requirements**

D.4.6 Compliance Determination, Paint Booth VOC Emission Limit

To determine compliance with the VOC limit of Condition D.4.1(b), the owner or operator shall on a monthly basis, determine:

- (a) the individual worst case as applied VOC emissions from each solvent and coating applied at Units EU7, EU8, EU11, and EU12, utilizing information obtained from each coating's "As Supplied" and "As Applied" VOC data sheets and production information,
- (b) the sum total VOC emissions from each unit, and
- (c) the sum total of all VOC emissions from all four units.

All emissions determined in this condition shall be expressed in tons per month.

#### D.4.7 Compliance Determination, Paint Booth Hazardous Air Pollutant Emission Limits

To determine compliance with the HAP limits of Condition D.4.2, the owner or operator shall, on a monthly basis, determine:

- (a) the individual HAP emissions from each solvent and coating used at Units EU7, EU8, EU11, EU12, and 13 during the affected month, utilizing information obtained from the respective coating and solvent material safety data sheets (MSDS) and production information,
- (b) the sum total individual HAP emissions from the surface coatings and solvents used during the affected month,
- (c) the combined HAP emissions from the surface coatings and solvents used during the affected month,
- (d) the sum total individual HAP emissions from the surface coatings and solvents used during the 11 months preceding the most recent affected month each unit,
- (e) the sum total combined HAP emissions from the wood surface coatings and solvents used during the 11 months preceding the most recent affected month,
- (f) determine the consecutive 12 month total for each individual HAP by summing the values determined in Parts (b) and (d) of this Condition,
- (g) determine from the values in Part (f) of this Condition, the highest (worst case) consecutive 12 month total individual HAP emissions, and
- (h) determine the consecutive 12 month total combined HAP emissions by summing the values in Parts (c) and (e) of this Condition.

All emissions determined in this condition shall be expressed in tons.

#### **Compliance Monitoring Requirements [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]**

##### D.4.8 Compliance Monitoring, Paint Booth VOC Limit

The owner or operator shall, on a monthly basis, record the VOC emissions determined in Condition D.4.6.

##### D.4.9 Compliance Monitoring, Paint Booth HAP Limit

To demonstrate compliance with the requirements of Condition D.4.2, the owner or operator shall, on a monthly basis, record the HAP emissions determined in Condition D.4.7.

#### D.4.10 Compliance Monitoring, Paint Booth PM Overspray Limit

The owner or operator shall, for the controls and exhaust of Unit EU7, EU8, EU11, and EU12:

- (a) perform daily inspections of the dry filters of each unit and record the results of said inspections documenting whether or not the placement, integrity and particle loading of the filters is adequate,
- (b) perform weekly observations of the overspray emissions from the exhaust stacks of units EU7, EU8, EU11, and EU12, and record the results of said observations, documenting whether or not the dry filters are performing adequately during normal operation of the respective units,
- (c) perform monthly inspections of the stacks of units EU7, EU8, EU11, and EU12, and record the results of said inspections, documenting whether or not the emissions from the stack are normal and if there is overspray present on the rooftops and the nearby ground, and
- (d) perform all additional inspections and observations prescribed by the Preventive Maintenance Plan.

Should the owner or operator observe that the integrity and particle loading of the filters is not adequate, that the dry filters are not performing adequately during normal operation of the paint booth, that there is a noticeable change in overspray emissions from the stack or surrounding evidence of abnormal overspray emissions, or that there are any parameters under the Preventive Maintenance Plan that are determined to be abnormal, the owner or operator shall take the appropriate response steps as specified in the Compliance Response Plan required in Condition C.17.

#### **Record Keeping and Reporting Requirement [326 IAC 2-7-5(3)] [326 IAC 2-7-19]**

#### D.4.11 Record Keeping Requirements

- (a) To document compliance with the VOC emission limit of Condition D.4.1(b), the owner or operator shall maintain records of the emissions recorded in Condition D.4.8.
- (b) To document compliance with the HAP emission limits of Condition D.4.2, the owner or operator shall keep and maintain:
  - (1) records of the emissions recorded in Condition D.4.9, and
  - (2) copies of the emission calculations performed each month including the methods used, a list of all parameters used to determine the emissions, material safety data sheets (MSDS) for all materials stored and handled, and all supporting documentation used to verify the amount of each material, including as applicable, purchase and shipping orders, and invoices.
- (c) To document compliance with the PM overspray limit of Condition D.4.3, the owner or operator shall maintain a log of weekly overspray observations, daily and monthly inspections, and those additional inspections prescribed by the Preventive Maintenance Plan, as required in Condition D.4.10.

All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.



#### D.4.12 Reporting Requirements

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A quarterly summary of the information to document compliance with Conditions D.4.1(b) and D.4.2 shall be submitted to the address(es) listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT  
OFFICE OF AIR QUALITY  
COMPLIANCE DATA SECTION**

**Part 70 Source Modification Quarterly Report**

Source Name: Jason Industries, Inc.  
Source Address: 1500 West Lusher Avenue, Elkhart, Indiana 46517  
Mailing Address: 1500 West Lusher Avenue, Elkhart, Indiana 46517  
Part 70 Permit No.: T 039-7653-00104  
Facility: Units EU1, EU2, EU3, and EU4  
Parameter: VOC Emissions  
Limit: 150 tons VOC/yr, based on a 12 month rolling total

**Quarter:** \_\_\_\_\_ **Year:** \_\_\_\_\_

Month	(1) Tons VOC This Month	(2) Tons VOC Past 11 Months	(1) + (2) Rolling Total VOC Emissions (Tons)

9 No deviation occurred in this month.

9 Deviation/s occurred in this month.

Deviation has been reported on: \_\_\_\_\_

Submitted by: \_\_\_\_\_  
Title/Position: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_  
Phone: \_\_\_\_\_

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT  
OFFICE OF AIR QUALITY  
COMPLIANCE DATA SECTION**

**Part 70 Source Modification Quarterly Report**

Source Name: Jason Industries, Inc.  
Source Address: 1500 West Lusher Avenue, Elkhart, Indiana 46517  
Mailing Address: 1500 West Lusher Avenue, Elkhart, Indiana 46517  
Part 70 Permit No.: T 039-7653-00104  
Facility: Units EU5 and EU6  
Parameter: VOC Emissions  
Limit: 99 tons VOC/yr, based on a 12 month rolling total

**Quarter:** \_\_\_\_\_ **Year:** \_\_\_\_\_

Month	(1) Tons VOC This Month	(2) Tons VOC Past 11 Months	(1) + (2) Rolling Total VOC Emissions (Tons)

9 No deviation occurred in this month.

9 Deviation/s occurred in this month.

Deviation has been reported on: \_\_\_\_\_

Submitted by: \_\_\_\_\_  
Title/Position: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_  
Phone: \_\_\_\_\_

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT  
OFFICE OF AIR QUALITY  
COMPLIANCE DATA SECTION**

**Part 70 Source Modification Quarterly Report**

Source Name: Jason Industries, Inc.  
Source Address: 1500 West Lusher Avenue, Elkhart, Indiana 46517  
Mailing Address: 1500 West Lusher Avenue, Elkhart, Indiana 46517  
Source Modification: 039-16503-00104  
Permit Modification: 039-16130-00104  
Facility: Units EU7, EU8, EU11, and EU12  
Parameter: VOC Emissions  
Limit: 67 tons VOC/yr, based on a 12 month rolling total

**Quarter:** \_\_\_\_\_ **Year:** \_\_\_\_\_

Month	(1) Tons VOC This Month	(2) Tons VOC Past 11 Months	(1) + (2) Rolling Total VOC Emissions (Tons)

9 No deviation occurred in this month.

9 Deviation/s occurred in this month.

Deviation has been reported on: \_\_\_\_\_

Submitted by: \_\_\_\_\_  
Title/Position: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_  
Phone: \_\_\_\_\_

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT  
OFFICE OF AIR QUALITY  
COMPLIANCE DATA SECTION**

**Part 70 Source Modification Quarterly Report**

Source Name: Jason Industries, Inc.  
Source Address: 1500 West Lusher Avenue, Elkhart, Indiana 46517  
Mailing Address: 1500 West Lusher Avenue, Elkhart, Indiana 46517  
Source Modification: 039-16503-00104  
Permit Modification: 039-16130-00104  
Facility: Units EU7, EU8, EU11, and EU12  
Parameter: Worst Case Single HAP Emissions  
Limit: Less Than 10 tons/yr per consecutive 12 month period

**Quarter:** \_\_\_\_\_ **Year:** \_\_\_\_\_

Month	Worst Case Single HAP Emissions for the Consecutive 12 Month Period (Tons)
1	
2	
3	

9 No deviation occurred in this month.

9 Deviation/s occurred in this month.

Deviation has been reported on: \_\_\_\_\_

Submitted by: \_\_\_\_\_  
Title/Position: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_  
Phone: \_\_\_\_\_

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT  
OFFICE OF AIR QUALITY  
COMPLIANCE DATA SECTION**

**Part 70 Source Modification Quarterly Report**

Source Name: Jason Industries, Inc.  
Source Address: 1500 West Lusher Avenue, Elkhart, Indiana 46517  
Mailing Address: 1500 West Lusher Avenue, Elkhart, Indiana 46517  
Source Modification: 039-16503-00104  
Permit Modification: 039-16130-00104  
Facility: Units EU7, EU8, EU11, and EU12  
Parameter: Combined HAP Emissions  
Limit: Less Than 25 tons/yr per consecutive 12 month period

**Quarter:** \_\_\_\_\_ **Year:** \_\_\_\_\_

Month	(1) Tons Combined HAPs This Month	(2) Tons Combined HAPs Past 11 Months	(1) + (2) Combined HAP Emissions for the Consecutive 12 Month Period (tons)

9 No deviation occurred in this month.

9 Deviation/s occurred in this month.

Deviation has been reported on: \_\_\_\_\_

Submitted by: \_\_\_\_\_  
Title/Position: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_  
Phone: \_\_\_\_\_

**Indiana Department of Environmental Management  
Office of Air Quality**

Technical Support Document (TSD)  
for

a Significant Source Modification to a Part 70 Permit  
and  
a Significant Permit Modification to a Part 70 Permit

**Source Background and Description**

Source Name:	Jason Industries, Inc.
Source Location:	1500 West Lusher Avenue, Elkhart, Indiana 46517
County:	Elkhart
SIC Code:	3792
Operation Permit No.:	039-7653-00104
Date Issued:	July 17, 2001
First Significant Source Modification No.:	039-16503-00104
First Significant Permit Modification No.:	039-16130-00104
Permit Reviewer:	SDF

The Office of Air Quality (OAQ) has reviewed an application from Jason Industries, Inc. relating to a modification to their existing fiberglass vehicle parts manufacturing and painting operation.

**Request**

On August 23, 2002, Jason Industries, Inc. submitted an application to construct and operate:

- (a) One (1) surface coating spray booth, identified as EU7, located in Building 3, equipped with high volume low pressure (HVLP) spray applicators, applying basecoats at a maximum rate of 3.52 gallons per hour and utilizing thinner and clean-up solvents at a maximum rate of 16 ounces per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 8.
- (b) One (1) surface coating spray booth, identified as EU8, located in Building 3, equipped with high volume low pressure (HVLP) spray applicators, applying clear coats at a maximum rate of 2.88 gallons per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 9.
- (c) One (1) 0.60 MMBtu/hr natural gas fired paint bake oven, identified as EU9, located in Building 3, with emissions exhausted through Stack 10.
- (d) One (1) 0.60 MMBtu/hr natural gas fired paint bake oven, identified as EU10, located in Building 3, with emissions exhausted through Stack 11.
- (e) One (1) surface coating touch-up spray booth, identified as EU11, located in Building 3, equipped with high volume low pressure (HVLP) spray applicators, applying touch-up coatings at a maximum rate of 5 ounces per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 12.

- (f) One (1) surface coating touch-up spray booth, identified as EU12, located in Building 3, equipped with high volume low pressure (HVLP) spray applicators, applying touch-up coatings at a maximum rate of 5 ounces per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 13.
- (g) One (1) Paint Mixing Room, identified as EU13, with emissions exhausted through Stack V14.

Jason Industries is also proposing to construct and operate the following insignificant activities:

- (a) Natural gas-fired combustion sources with heat input equal to or less than 10 MMBtu/hr.
- (b) Water based adhesives that are less than or equal to 5% by volume of VOCs, excluding HAPs.

In order to determine the level of approval for the modification, an analysis of the existing source VOC limits is required. The following are the result of the analysis.

**(a) Units EU1, EU2, and EU3:**

Prior to January 1988, there were no VOC emissions associated with Jason Industries. Adding units EU1, EU2, and EU3 in 1988 resulted in additional VOC potential emissions to the source.

Based on the emission calculations performed under Part 70 permit 039-7653-00104, the VOC unrestricted potential to emit (UPTE) was estimated to be 270.66 tons VOC/yr. The individual VOC UPTE for units EU1, EU2, and EU3, were estimated to be 99.20, 108.36, and 63.10 tons/yr, respectively.

Since the individual and entire source VOC UPTE exceeded the respective applicable levels of 25 and 100 tons/yr (Elkhart County was designated as nonattainment at the time), a 326 IAC 8-1-6 BACT for units EU1, EU2, and EU3 and the source emissions should have been limited to 99 tons per year to avoid emission offset review.

**(b) Unit EU4:**

Emission unit EU4 was added in 1992. Adding this unit resulted in an additional VOC UPTE of 39.29 tons VOC/yr.

Since the VOC UPTE exceeded the 326 IAC 8-1-6 applicable level of 25 tons/yr, a 326 IAC 8-1-6 BACT for unit EU4 should have been established. In regards to emission offset applicability, adding unit EU4 would not require emission offset review, but the increase in emissions from the modification established the source as a major source for VOC. Thus, any subsequent modifications involving significant levels of VOC emissions would have been limited to 39 tons per year to avoid emission offset review.

**(c) Units EU5 and EU6:**

Emissions units EU5 and EU6 were permitted on September 9, 1994 under construction permit 039-3693-00104. Adding units EU5 and EU6 to Plant 2 resulted in an acceptable emission limit of 24 tons per year because the limit avoided the 326 IAC 8-1-6 BACT determination that would have been required if the VOC emissions weren't limited to less than 25 tons per year and because the limit satisfied the emission offset requirements by establishing an allowable rate that was less than emission offset applicable level of 39 tons per year (Jason Industries was still considered a major source for the purposes of this review because Elkhart County did not get re-designated to attainment status until November of 1994).



**(d) Entire Source Determination Under the Part 70 Operating Permit:**

On July 17, 2001, the Part 70 source operating permit (039-7653-00104) was issued. Under the Part 70 permit:

- (1) the entire source VOC emissions were limited to less than 250 tons/yr;
- (2) the VOC emissions from Plant 1 (including unpermitted units EU1, EU2, EU3, and EU4) were limited as follows:
  - (A) Units EU1 and EU2 were limited to 94.8 tons per year, and
  - (B) Units EU3 and EU4 were limited to 68.7 tons per year,as part of the 326 IAC 8-1-6 BACT determination; and
- (3) the Plant 2 VOC limit established in CP 039-3693-00104 for units EU5 and EU6 was changed from 24 tons/yr to the 326 IAC 8-1-6 presumptive BACT limit of less than 100 tons/yr (actually 90.1 tons VOC/yr).

The Part 70 permit application was received on December 13, 1996. Since Elkhart County was re-designated to attainment status in 1994, the source PSD status was re-evaluated during the Part 70 permit review. Under this review, the source (Plant 1 and Plant 2) VOC emissions were limited to less than 250 tons per year via several individual VOC emission limits under one comprehensive 326 IAC 8-1-6 BACT determination. These limits and the change in County status established Jason Industries as a minor source for the purposes of PSD.

The first limit established under the Part 70 permit was a new Plant 2 326 IAC 8-1-6 presumptive BACT limit of 90.1 tons VOC/yr, along with work practice and fiberglass presumptive MACT standards. While the work practice and presumptive MACT standards are determined to be acceptable, the VOC emission limit of 90.1 tons per year is not because the presumptive BACT VOC limit at that time was a VOC limit of less than 100 tons per year (99 tons per year), not 90.1 tons per year.

The other limits established under the Part 70 permit were the individual 326 IAC 8-1-6 BACT limits. Under the BACT determination, the Plant 1 emissions were limited to 163.5 tons per year via two individual limits; 94.8 tons/yr for units EU1 and EU2 and 68.7 tons/yr for units EU3 and EU4.

When combined the source limited VOC emissions total 253.6 tons per year which exceeds the PSD applicable level of 250 tons per year.

Upon review of the existing Part 70 BACT and PSD VOC limits, it is determined that the following changes need to be made to correct the original determinations.

- (a) The VOC emissions from Plant 2 shall be adjusted to the appropriate presumptive BACT level of 99 tons per year;
- (b) The VOC emissions from Plant 1 shall be the difference of the PSD allowable rate of 249 tons per year and the Plant 2 VOC emissions (99 tons/yr), or 150 tons per year.
- (c) The Plant 1 individual limits shall be eliminated because the single plant wide limit for Plant 1 in addition to the Plant 2 yield the same source allowable emission rate as the existing individual limits while providing more operational flexibility to Plant 1.

**(e) Source Determination After Addition of Proposed Units EU7, EU8, EU9, EU10, EU11, EU-12, and EU13:**

Since this proposed modification is the first request after the Part 70 permit and the Part 70 permit has been defined as a first time existing minor source, the modification PSD major source level for each criteria pollutant is determined to be 250 tons per year.

The proposed units will not cause an increase in production or emissions from any existing units. Therefore, the emissions generated by the proposed modification are the VOC, PM and PM10 overspray, and HAP emissions generated by the proposed equipment.

Based on the emission calculations performed, it is determined that the VOC emissions exceed the applicable level of 250 tons/yr and the worst case single and combined HAP emissions exceed their respective applicable levels of 10 and 25 tons/yr.

To avoid the PSD requirements, the VOC emissions typically would be limited to less than 250 tons per year. However, the VOC unrestricted potential to emit (UPTe) exceeds the applicable level of 25 tons per year, triggering 326 IAC 8-1-6. Under the 326 IAC 8-1-6 BACT determination for this proposed modification, the VOC emissions are limited to 67 tons per year. Limiting the emissions to 67 tons per year will not only satisfy the requirements of 326 IAC 8-1-6, but also renders PSD under 326 IAC 2-2 and 40 CFR 52.21 not applicable in this case.

After issuance of this modification, the source shall be considered a major source of VOCs for the purposes of PSD. Therefore, the VOC major source level of all subsequent modifications shall be the significant level of 40 tons per year.

To avoid the requirements of 326 IAC 2-4.1, the single and combined HAPs shall be limited to less than their respective levels of 10 and 25 tons per year.

The proposed modification shall be permitted via a significant source modification pursuant to 326 IAC 2-7-10.5(f)(4)(D) and (f)(6) which state any modification which has VOC potential greater than 25 tons per year, single HAP potential greater than 10 tons per year, and combined HAP potential greater than 25 tons per year, shall be approved via a significant source modification.

The proposed modification shall be incorporated into the Part 70 permit via a significant permit modification pursuant to 36 IAC 2-7-12(d).

**Existing Approvals**

This source has been operating under Part 70 permit 039-7653-00104, issued on July 17, 2001.

**Enforcement Issue**

There are no enforcement actions pending.

**Recommendation**

The staff recommends to the Commissioner that the Significant Source Modification and Significant Permit Modification be approved. This recommendation is based on the following facts and conditions.

Unless otherwise stated, information used in this review was derived from the application.

## Emission Calculations

### Unrestricted Potential to Emit (UPTE):

The emissions generated by the equipment of the proposed modification are PM and PM10 overspray, surface coating VOC and HAP emissions, and combustion emissions from units EU9 and EU10.

The following calculations determine the criteria and hazardous air pollutant unrestricted potential to emit (UPTE).

#### (a) Criteria Pollutants:

The following table lists the source criteria pollutant UPTE. The specific emission calculations follow the table.

Unit	PM (tons/yr)	PM10 (tons/yr)	SO2 (tons/yr)	VOC (tons/yr)	NOx (tons/yr)	CO (tons/yr)
EU7	7.67	7.67	-	84.19	-	-
EU8	8.76	8.76	-	58.00	-	-
EU9	neg.	neg.	neg.	neg.	0.30	0.20
EU10	neg.	neg.	neg.	neg.	0.30	0.20
EU11	0.22	0.22	-	2.18	-	-
EU12	0.22	0.22	-	2.18	-	-
<b>Total</b>	<b>16.87</b>	<b>16.87</b>	<b>neg.</b>	<b>146.55</b>	<b>0.60</b>	<b>0.40</b>

#### (1) EU7:

The following calculations determine the EU7 UPTE based on the worst case coating combination, the coating properties obtained from the coating MSDS, a transfer efficiency of 85%, emissions before controls, and 8760 hours of operation.

##### (A) Basecoat VOC:

$$8.29 \text{ lb/gal} * 0.6011 * 0.44 \text{ gal/unit} * 8 \text{ units/hr} * 8760 \text{ hr/yr} * 1/2000 \text{ ton/lb} = 76.83 \text{ tons VOC/yr}$$

##### (B) Thinner VOC:

$$7.00 \text{ lb/gal} * 1.00 * 0.03 \text{ gal/unit} * 8 \text{ units/hr} * 8760 \text{ hr/yr} * 1/2000 \text{ ton/lb} = 7.36 \text{ tons VOC/yr}$$

##### (C) Basecoat PM:

$$8.29 \text{ lb/gal} * 0.44 \text{ gal/unit} * 8 \text{ units/hr} * (1 - 0.6011) * (1 - 0.85) = 1.75 \text{ lb PM/hr}$$

$$1.75 \text{ lb PM/hr} * 8760 \text{ hr/yr} * 1/2000 \text{ ton/lb} = 7.67 \text{ tons PM/yr}$$

PM is determined to be equal to PM10 in this case.

(D) Thinner PM:

$$\begin{aligned} 7.00 \text{ lb/gal} * 0.44 \text{ gal/unit} * 8 \text{ units/hr} * (1 - 1.00) * (1 - 0.85) &= 0.00 \text{ lb PM/hr} \\ 0.00 \text{ lb PM/hr} * 8760 \text{ hr/yr} * 1/2000 \text{ ton/lb} &= 0.00 \text{ tons PM/yr} \end{aligned}$$

PM10 is determined to be equal to PM in this case.

(2) EU8:

The following calculations determine the EU8 UPTE based on the worst case 2100s clearcoat coating combination, the coating properties obtained from the source MSDS, a transfer efficiency of 85%, emissions before controls, and 8760 hours of operation.

(A) Clearcoat VOC:

$$9.22 \text{ lb/gal} * 0.4987 * 0.36 \text{ gal/unit} * 8 \text{ units/hr} * 8760 \text{ hr/yr} * 1/2000 \text{ ton/lb} = 58.00 \text{ tons VOC/yr}$$

(B) Clearcoat PM:

$$\begin{aligned} 9.22 \text{ lb/gal} * 0.36 \text{ gal/unit} * 8 \text{ units/hr} * (1 - 0.4987) * (1 - 0.85) &= 2.00 \text{ lb PM/hr} \\ 2.00 \text{ lb PM/hr} * 8760 \text{ hr/yr} * 1/2000 \text{ ton/lb} &= 8.76 \text{ tons PM/yr} \end{aligned}$$

PM10 is determined to be equal to PM in this case.

(3) EU9:

The following calculations determine the bake oven combustion emissions based on AP-42 emission factors, 8760 hours of operation and emissions before controls.

$$\begin{aligned} \text{MMBtu/hr} * 1/1000 \text{ MMcf/MMBtu} * 8760 \text{ hr/yr} &= \text{MMcf/yr} \\ \text{MMcf/yr} * \text{Ef lb/MMcf} * 1/2000 \text{ ton/lb} &= \text{tons/yr} \end{aligned}$$

Pollutant	PM 1.9 lb/MMcf	PM10 7.6 lb/MMcf	SO2 0.6 lb/MMcf	NOx 100 lb/MMcf	VOC 5.5 lb/MMcf	CO 84 lb/MMcf
tons/yr	neg.	neg.	neg.	0.30	neg.	0.20

(4) EU10:

The following calculations determine the bake oven combustion emissions based on AP-42 emission factors, 8760 hours of operation and emissions before controls.

$$\begin{aligned} \text{MMBtu/hr} * 1/1000 \text{ MMcf/MMBtu} * 8760 \text{ hr/yr} &= \text{MMcf/yr} \\ \text{MMcf/yr} * \text{Ef lb/MMcf} * 1/2000 \text{ ton/lb} &= \text{tons/yr} \end{aligned}$$

Pollutant	PM 1.9 lb/MMcf	PM10 7.6 lb/MMcf	SO2 0.6 lb/MMcf	NOx 100 lb/MMcf	VOC 5.5 lb/MMcf	CO 84 lb/MMcf
tons/yr	neg.	neg.	neg.	0.30	neg.	0.20

**(5) EU11:**

The following calculations determine the EU11 UPTE based on the worst case coating combination, the coating properties obtained from the source MSDS, a transfer efficiency of 85%, emissions before controls, and 8760 hours of operation.

**(A) Coating VOC:**

$$8.29 \text{ lb/gal} * 0.6011 * 0.02 \text{ gal/unit} * 5 \text{ units/hr} * 8760 \text{ hr/yr} * 1/2000 \text{ ton/lb} = 2.18 \text{ tons VOC/yr}$$

**(B) Coating PM:**

$$\begin{aligned} 8.29 \text{ lb/gal} * 0.02 \text{ gal/unit} * 5 \text{ units/hr} * (1 - 0.6011) * (1 - 0.85) &= 0.05 \text{ lb PM/hr} \\ 0.05 \text{ lb PM/hr} * 8760 \text{ hr/yr} * 1/2000 \text{ ton/lb} &= 0.22 \text{ tons PM/yr} \end{aligned}$$

PM10 is determined to be equal to PM in this case.

**(6) EU12:**

The following calculations determine the EU12 UPTE based on the worst case coating combination, the coating properties obtained from the source MSDS, a transfer efficiency of 85%, emissions before controls, and 8760 hours of operation.

**(A) Coating VOC:**

$$8.29 \text{ lb/gal} * 0.6011 * 0.02 \text{ gal/unit} * 5 \text{ units/hr} * 8760 \text{ hr/yr} * 1/2000 \text{ ton/lb} = 2.39 \text{ tons VOC/yr}$$

**(B) Coating PM:**

$$\begin{aligned} 8.29 \text{ lb/gal} * 0.02 \text{ gal/unit} * 5 \text{ units/hr} * (1 - 0.6011) * (1 - 0.85) &= 0.05 \text{ lb PM/hr} \\ 0.05 \text{ lb PM/hr} * 8760 \text{ hr/yr} * 1/2000 \text{ ton/lb} &= 0.22 \text{ tons PM/yr} \end{aligned}$$

PM10 is determined to be equal to PM in this case.

**(b) Hazardous Air Pollutants (HAP):**

The following table lists the source HAP UPTE. The specific emission calculations follow the table.

Unit	EU7 (tons/yr)	EU8 (tons/yr)	EU9 (tons/yr)	EU10 (tons/yr)	EU11 (tons/yr)	EU12 (tons/yr)	Total Single HAP (tons/yr)
Benzene	-	-	neg.	neg.	-	-	neg.
Cadmium	-	-	neg.	neg.	-	-	neg.
Chromium	-	-	neg.	neg.	-	-	neg.
Dichlorobenzene	-	-	neg.	neg.	-	-	neg.
Ethylbenzene	5.26	-	-	-	0.13	0.13	5.52
Formaldehyde	-	-	neg.	neg.	-	-	neg.
Hexane	-	-	0.005	0.005	-	-	0.01
Lead	-	-	neg.	neg.	-	-	neg.

Manganese	-	-	neg.	neg.	-	-	neg.
MEK	-	-	-	-	-	-	-
MIBK	2.10	-	-	-	-	-	2.10
Nickel	-	-	0.002	0.002	-	-	0.004
Toluene	-	-	neg.	neg.	-	-	neg.
Xylene	33.24	-	-	-	0.96	0.96	<b>35.16</b>
<b>Total</b>	<b>40.60</b>	<b>-</b>	<b>0.007</b>	<b>0.007</b>	<b>1.09</b>	<b>1.09</b>	

EU7 (tons/yr)	EU8 (tons/yr)	EU9 (tons/yr)	EU10 (tons/yr)	EU11 (tons/yr)	EU12 (tons/yr)	Total Combined HAPs (tons/yr)
40.60	-	0.007	0.007	1.09	1.09	<b>42.79</b>

**(1) EU7:**

The following calculations determine the EU7 HAP UPTe based on the worst case coating combination HAP emissions in lb/hr, emissions before controls, and 8760 hours of operation.

$$\text{lb HAP/hr} * 8760 \text{ hr/yr} * 1/2000 \text{ ton/lb} = \text{tons HAP/yr}$$

HAP	lb/hr	tons/yr
Ethylbenzene	1.20	5.26
MIBK	0.48	2.10
Xylene	7.59	33.24
<b>Total</b>		<b>40.60</b>

**(2) EU8:**

The clear coat used at unit EU8 does not contain any regulated hazardous air pollutants.

**(3) EU9:**

The following calculations determine the bake oven combustion emissions based on AP-42 emission factors, 8760 hours of operation and emissions before controls.

$$\begin{aligned} \text{MMBtu/hr} * 1/1000 \text{ MMcf/MMBtu} * 8760 \text{ hr/yr} &= \text{MMcf/yr} \\ \text{MMcf/yr} * \text{Ef lb/MMcf} * 1/2000 \text{ ton/lb} &= \text{tons/yr} \end{aligned}$$

HAP	Ef (lb/MMcf)	tons/yr
Benzene	2.1E-3	neg.
Dichlorobenzene	1.2 E-3	neg.
Formaldehyde	7.5 E-2	neg.

Hexane	1.8	0.005
Toluene	3.4 E-3	neg.
Lead	5.0 E-4	neg.
Cadmium	1.1 E-3	neg.
Chromium	1.4 E-3	neg.
Manganese	3.8 E-4	neg.
Nickel	2.1 E-3	0.002
<b>Total</b>		<b>0.007</b>

**(4) EU10:**

The following calculations determine the bake oven combustion emissions based on AP-42 emission factors, 8760 hours of operation and emissions before controls.

$$\begin{aligned} \text{MMBtu/hr} * 1/1000 \text{ MMcf/MMBtu} * 8760 \text{ hr/yr} &= \text{MMcf/yr} \\ \text{MMcf/yr} * \text{Ef lb/MMcf} * 1/2000 \text{ ton/lb} &= \text{tons/yr} \end{aligned}$$

HAP	Ef (lb/MMcf)	tons/yr
Benzene	2.1E-3	neg.
Dichlorobenzene	1.2 E-3	neg.
Formaldehyde	7.5 E-2	neg.
Hexane	1.8	0.005
Toluene	3.4 E-3	neg.
Lead	5.0 E-4	neg.
Cadmium	1.1 E-3	neg.
Chromium	1.4 E-3	neg.
Manganese	3.8 E-4	neg.
Nickel	2.1 E-3	0.002
<b>Total</b>		<b>0.007</b>

**(5) EU11:**

The following calculations determine the EU11 HAP UPTE based on the worst case coating combination HAP emissions in lb/hr, emissions before controls, and 8760 hours of operation.

$$\text{lb HAP/hr} * 8760 \text{ hr/yr} * 1/2000 \text{ ton/lb} = \text{tons HAP/yr}$$

HAP	lb/hr	tons/yr
Ethylbenzene	0.03	0.13
Xylene	0.22	0.96
<b>Total</b>		<b>1.09</b>

**(6) EU12:**

The following calculations determine the EU12 HAP UPTE based on the worst case coating combination HAP emissions in lb/hr, emissions before controls, and 8760 hours of operation.

$$\text{lb HAP/hr} * 8760 \text{ hr/yr} * 1/2000 \text{ ton/lb} = \text{tons HAP/yr}$$

HAP	lb/hr	tons/yr
Ethylbenzene	0.03	0.13
Xylene	0.22	0.96
<b>Total</b>		<b>1.09</b>

**Emissions After Controls:**

The PM/PM10 overspray emissions are controlled by dry filters with an overall control efficiency of 95%. The following calculations determine the PM/PM10 emissions after controls.

$$\begin{aligned} \text{PM: } 16.87 \text{ tons PM/yr} * (1 - 0.95) &= 0.84 \text{ tons PM/yr} \\ \text{PM10: } 16.87 \text{ tons PM10/yr} * (1 - 0.95) &= 0.84 \text{ tons PM10/yr} \end{aligned}$$

**Potential To Emit**

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as “the maximum capacity of a stationary source to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or type or amount of material combusted, stored, or processed shall be treated as part of its design if the limitation is enforceable by the U.S. EPA.”

This table reflects the PTE before controls from the source based on the above estimated emissions calculations. Control equipment is not considered federally enforceable until it has been required in a federally enforceable permit.

Pollutant	Potential To Emit (tons/year)
PM	16.87
PM10	16.87
SO2	neg.
VOC	146.55
CO	0.40
NO <sub>x</sub>	0.60

Note: For the purpose of determining Title V applicability for particulates, PM-10, not PM, is the regulated pollutant in consideration.

Pollutant	Potential To Emit (tons/year)
Worst Case Single HAP	35.16
Combined HAPs	42.79



Since the VOC emissions exceed the applicable level of 25 tons/yr and the worst case single and combined HAP emissions exceed their respective applicable levels of 10 and 25 tons/yr, the proposed modification shall be permitted via a significant source modification pursuant to 326 IAC 2-7-10.5(f)(4)(D) and (f)(6) which state any modification which has VOC potential greater than 25 tons per year, single HAP potential greater than 10 tons per year, and combined HAP potential greater than 25 tons per year, shall be approved via a significant source modification.

### County Attainment Status

The source is located in Elkhart County.

Pollutant	Status
PM <sub>10</sub>	attainment or unclassifiable
SO <sub>2</sub>	attainment or unclassifiable
NO <sub>2</sub>	attainment or unclassifiable
Ozone	attainment or unclassifiable
CO	attainment or unclassifiable
Lead	attainment or unclassifiable

- (a) Volatile organic compounds (VOC) are precursors for the formation of ozone. Therefore, VOC emissions are considered when evaluating the rule applicability relating to the ozone standards. Elkhart County has been designated as attainment or unclassifiable for ozone. Therefore, the VOC emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration, 326 IAC 2-2 and 40 CFR 52.21.
- (b) Elkhart County has been classified as attainment or unclassifiable for all other criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 and 40 CFR 52.21.

### Source Status

Existing Source PSD Definition (emissions after controls, based upon 8760 hours of operation per year at rated capacity and/or as otherwise limited):

	PM (tons/yr)	PM10 (tons/yr)	SO2 (tons/yr)	NOx (tons/yr)	VOC (tons/yr)	CO (tons/yr)	Single HAP (tons/yr)	Comb. HAPs (tons/yr)
Source	35.40	35.40	0.50	3.00	<250	2.00	ND*	323

  

PSD Major Levels	250	250	250	250	250	250	-	-
Part 70 Major Levels	-	100	100	100	100	100	10	25

\* ND = not determined

- (a) This existing source is not a major PSD stationary source because no attainment regulated pollutant is emitted at a rate of 250 tons per year or more and it is not one of the 28 listed source categories.

- (b) This existing source is a Title V major stationary source because the VOC emissions exceed the applicable level of 100 tons/yr and the combined HAP emissions exceed its applicable level of 25 tons/yr.

### Modification Emissions

Modification PSD Definition (emissions after controls, based upon 8760 hours of operation per year at rated capacity and/or as otherwise limited):

	PM (tons/yr)	PM10 (tons/yr)	SO2 (tons/yr)	NOx (tons/yr)	VOC (tons/yr)	CO (tons/yr)	Single HAP (tons/yr)	Comb. HAPs (tons/yr)
Source	0.84	0.84	neg.	0.60	67.00	0.40	<10	<25
PSD Major Levels	250	250	250	250	250	250	-	-

- (a) The PM and PM10 emissions are controlled by dry filter systems with an overall control efficiency of 95%.
- (b) The single and combined HAP emissions from units EU7, EU8, EU9, and EU10 are limited to less than 10 and 25 tons per year, respectively, to avoid being subject to the requirements of 326 IAC 2-4.1.
- (c) The VOC emissions are limited to 67 tons per year as part of the 326 IAC 8-1-6 BACT determination.
- (d) This proposed modification, the first modification to an existing PSD minor source, is not a major PSD modification because no attainment regulated pollutant is emitted at a rate of 250 tons per year.

### Federal Rule Applicability

#### (a) New Source Performance Standards (NSPS):

There are no New Source Performance Standards (326 IAC 12 and 40 CFR Part 60) that apply to the proposed source.

#### (b) National Emission Standards for Hazardous Air Pollutants (NESHAPs):

There are no National Emission Standards for Hazardous Air Pollutants (326 IAC 14 and 20 and 40 CFR Parts 61 and 63) that apply to this proposed source.

### State Rule Applicability

#### (a) Entire Source Rules:

- (1) 326 IAC 1-6-3 (Preventive Maintenance Plan):

The proposed source is required to have a preventive maintenance plan for the emission units and control devices of the source.

(2) 326 IAC 2-4.1 (HAP Major Sources)

This source is subject to the requirements of 326 IAC 2-4.1 because the new proposed equipment will generate single hazardous air pollutant (HAP) emissions that exceed 10 tons per year and combined HAP emissions that exceed 25 tons per year.

In order to avoid the requirements of 326 IAC 2-4.1, Jason Industries has proposed that the HAP containing material usage be limited such that the single and combined HAP emissions from units EU7, EU8, EU9, EU10, EU11, EU12, and EU13, are less than the single and combined HAP applicable levels of 10 and 25 tons per year, respectively.

Since the single and combined HAP emissions after the proposed changes are less than the applicable levels of 10 and 25 tons/yr, 326 IAC 2-4.1 does not apply in this case.

(3) 326 IAC 2-6 (Emission Reporting)

This source is still subject to 326 IAC 2-6 (Emission Reporting), because the source VOC emissions exceed the applicable level of 10 tons per year.

(4) 326 IAC 5-1-2 (Opacity Limitations)

Opacity shall not exceed an average of 40% in any one 6 minute averaging period. Opacity shall not exceed 60% for more than a cumulative total of fifteen minutes.

**(b) Individual Unit Rules:**

(1) 326 IAC 6-3 :

Units EU7, EU8, EU11, and EU12, are subject to the requirements of 326 IAC 6-3.

Pursuant to 326 IAC 6-3-2(d), the particulate matter (PM) overspray from Units EU7, EU8, EU11, and EU12, shall be controlled by a dry particulate filter, waterwash, or equivalent control system. The control devices shall be operated in accordance with the manufacturer's specifications.

(2) 326 IAC 8-1-6:

Since there are no other Article 8 rules that apply and the VOC UPTE from the proposed surface coating operation is greater than the applicable level of 25 tons/yr, 326 IAC 8-1-6 applies.

For the purposes of this rule, it is determined that surface coating booths EU7 and EU8, ovens EU9 and EU10, repair booths EU11 and EU12, and paint mixing room EU13, all are part of the surface coating operation. Thus, these units are subject to the requirements of 326 IAC 8-1-6.

Although units EU9 and EU10 generate VOC emissions, no 326 IAC 8-1-6 BACT requirements are established for these units because they are combustion units that generate negligible unrestricted potential VOC emissions.

No 326 IAC 8-1-6 BACT requirements are established for Unit EU13 because the mixing room generates negligible VOC emissions.

However, 326 IAC 8-1-6 BACT requirements are established for Units EU7, EU8, EU11, and EU12 because VOC emissions are generated in sufficient quantity as to warrant such requirements. The following is the BACT determination for Units EU7, EU8, EU11, and EU12.

Upon review of the proposed BACT determination submitted by Jason Industries on September 9, 2002, it is determined that there are four (4) feasible BACT options available; catalytic incineration, thermal incineration, rotary concentrator without incineration, and the use of HVLP spray applicators combined with workplace standards.

A top-down BACT analysis from Jason Industries Inc. was received on September 23, 2002, consisting of an evaluation of four (4) options: catalytic incineration, thermal incineration, rotary concentrator without incineration and the use of the as-installed HVLP spray applicators combined with workplace standards and the compliance with Federal MACT for the composite industry.

Research has shown that the catalytic incineration, thermal incineration and rotary concentrator add-on controls are technically feasible. However, since the concentration of VOC in the air stream is dilute because of the high flow rates required to comply with the OSHA PPE/PEL employee exposure limits, it makes the control technology less cost efficient.

#### **Thermal and Catalytic Oxidation:**

The capital costs and annual operating costs required for the add on controls are not economically feasible for Jason Industries. Based on varying levels of efficiency and heat reclamation, costs for thermal incineration can be estimated from initial construction expenditures of \$373,016 with total annual costs of \$4,040,211 to initial construction costs of \$1,607,471 and total annual costs of \$611,077 depending upon the percentage of heat recovery. The costs for catalytic oxidation can be estimated from initial construction expenditures of \$901,633 with total annual costs of \$1,630,618 to initial construction costs of \$1,642,600 and total annual costs of \$470,801.

Since thermal incineration requires the use of natural gas and given the current trends in the cost of natural gas, operating costs would be higher than anticipated with current quoted fuel costs. New regulations require the use of lower styrene monomer content in raw materials further reducing the heat content value of the air stream. Thus, this reduction requires even more supplemental fuel to effectively incinerate VOC. Similar conclusions were reached about the use of catalytic incineration.

#### **Rotary Concentration:**

In order for rotary concentration to be effective as an add-on control device requires the addition of a thermal oxidizer. Since thermal and catalytic oxidation have been determined to be economically infeasible, rotary concentration in addition to oxidation is also determined to be economically infeasible.

Although the costs of the rotary concentrator of \$1,928 per ton of VOC removed appears to be economically feasible, this add-on control normally requires the addition of thermal incineration to destroy the concentration VOC in the air stream. This \$1,928 per ton of VOC removed does not include the significant added expense of purchasing and operating the incinerator. Thus, the combination of the thermal incinerator and rotary concentrator make the capital expenditure and operating costs economically infeasible compared to gross sales projected at ten million for 2002.

Therefore, BACT for the purposes of 326 IAC 8-1-6 is determined to be a VOC emission limit of 67 tons per year and work practice standards. Establishing the VOC emission limit and work practice standards will reduce the VOC emissions by 55%.

The following lists the 326 IAC 8-1-6 BACT requirements that shall be applicable to Units EU7, EU8, EU11, and EU12:

- (a) a VOC limit of 67 tons per year, based on a 12 month rolling total, with monthly record keeping, and quarterly reporting;
- (b) replacement of solvent based cleaners with water based (low VOC) cleaners instead of solvent;
- (c) utilization of high volume low pressure (HVLP) spray application;
- (d) spray application training, including initial and annual refresher training; and
- (e) work practice and waste minimization standards.

### Changes to the Existing Part 70 Permit

To incorporate the proposed modification into the existing Part 70 permit, the following changes shall be made. All additional language appears as bold type. All deleted language is struck out.

1. Condition A3: The source description of Condition A.3 shall be amended as follows to include the new proposed equipment:

.....

#### **Plant 2**

- (fa) One (1) gelcoat booth, known as EU5, equipped with air assisted airless or airless spray applicators, equipped with dry filters for overspray control, equipped with a 3,000 cubic feet per minute exhaust fan, exhausting through Stack 5, capacity: 6.0 fiberglass parts per hour.
- (gb) One (1) resin chop booth, known as EU6, equipped with a chopper system and ceramic/dualite bed coat spray system, equipped with dry filters for overspray control, equipped with a 5,000 cubic feet per minute exhaust fan, exhausting through Stack 6, capacity: 3.0 fiberglass parts per hour.

#### **Plant 3**

- (a) One (1) surface coating spray booth, identified as EU7, located in Building 3, equipped with high volume low pressure (HVLP) spray applicators, applying basecoats at a maximum rate of 3.52 gallons per hour and utilizing thinner and clean-up solvents at a maximum rate of 16 ounces per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 8.
- (b) One (1) surface coating spray booth, identified as EU8, located in Building 3, equipped with high volume low pressure (HVLP) spray applicators, applying clear coats at a maximum rate of 2.88 gallons per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 9.
- (c) One (1) 0.60 MMBtu/hr natural gas fired paint bake oven, identified as EU9, located in Building 3, with emissions exhausted through Stack 10.
- (d) One (1) 0.60 MMBtu/hr natural gas fired paint bake oven, identified as EU10, located in Building 3, with emissions exhausted through Stack 11.

- (e) One (1) surface coating touch-up spray booth, identified as EU11, located in Building 3, equipped with high volume low pressure (HVLP) spray applicators, applying touch-up coatings at a maximum rate of 5 ounces per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 12.
  - (f) One (1) surface coating touch-up spray booth, identified as EU12, located in Building 3, equipped with high volume low pressure (HVLP) spray applicators, applying touch-up coatings at a maximum rate of 5 ounces per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 13.
  - (g) One (1) Paint Mixing Room, identified as EU13, with emissions exhausted through Stack V14.
2. Condition A.4: No changes to the insignificant activities list of Condition A.4 will be made because the two additional insignificant activities proposed in this application do not have any applicable requirements.
3. Condition D.1.1: The VOC limits of Condition D.1.1 shall be changed to reflect the new Plant 1 limit of 150 tons per year, the new Plant 2 99 tons/yr VOC limit, and include methodologies for determining the clear coat VOC emissions.

D.1.1 BACT [326 IAC 8-1-6]

Pursuant to 326 IAC 8-1-6 (New facilities: general reduction requirements), BACT for Plant 1, comprised of EU1, EU2, EU3 and EU4 and Plant 2 comprised of EU5 and EU6, is the following:

- (a) The use of the as-installed HVLP spray applicators for Plants 1 and 2,
- (b) The ~~potential to emit~~ volatile organic compounds (VOC) emissions from Plant 1 shall be limited to **150 tons per year, based on a 12 month rolling total, with compliance determined at the end of each month. Compliance with this limit and the limit of Part (c) of this Condition shall render 326 IAC 2-2 (Prevention of Significant Deterioration) and 40 CFR 52.21 not applicable in this case.** ~~such that the volatile organic compounds emissions:~~
  - ~~(1) From the use of resins and gel coats in EU1 and EU2 shall be less than 94.8 tons per consecutive twelve (12) month period, and~~
- (c) ~~(2) From the use of resins and gel coats in EU5 and EU6 shall be less than 90.4 99 tons per consecutive twelve (12) month period~~ **The VOC emissions from Plant 2 shall be limited to less than 99 tons per year, based on a 12 month rolling total, with compliance determined at the end of each month. Compliance with this limit and the limit of Part (b) of this Condition shall render 326 IAC 2-2 (Prevention of Significant Deterioration) and 40 CFR 52.21 not applicable in this case.**
- (d) ~~(3)~~ Compliance with these limits of **Parts (b) and (c) of this condition** shall be determined based upon the following criteria:
  - ~~(1)(A)~~ Volatile organic compound emissions shall be calculated by multiplying the usage of each gel coat and resin by the emission factor that is appropriate for the monomer content, method of application and other emission reduction techniques for each gel coat and resin, and summing the emissions for all gel coats and resins. Emission factors shall be obtained from the reference approved by IDEM, OAQ.

- (2)(B) The emission factors approved for use by IDEM, OAQ shall be taken from the following reference: "Unified Emission Factors for Open Molding of Composites," Composites Fabricators Association, April 1999, with the exception of the emission factors for controlled spray application. For HAP-emitting operations not addressed by this reference, emission factors shall be taken from U.S. EPA's AP-42 document. For the purposes of these emission calculations, HAP monomer in resins and gel coats that is not styrene or methyl methacrylate shall be considered as styrene on an equivalent weight basis.

**(3) Coating information obtained from each coating's as applied and as supplied VOC data sheets and coating usage information.**

~~(e) The potential to emit volatile organic compounds shall be limited such that the volatile organic compounds delivered to the applicators from the use of paints and solvents in EU3 and EU4 shall be less than 68.7 tons per consecutive twelve (12) month period.~~

~~(e)~~ The HAP monomer content of resins and gel coats used shall be limited to the following or their equivalent on an emissions mass basis:

Type of Gel Coat or Resin	HAP Monomer Content % by weight
Production <sup>1</sup> Gel Coat	37
Tooling <sup>2</sup> Gel Coat	38
Production Filled Resin <sup>3</sup>	38
Tooling Resin	43

<sup>1</sup> Production refers to the manufacture of parts.

<sup>2</sup> Tooling refers to the manufacture of the molds from which parts are manufactured.

<sup>3</sup> Filled resin means a resin containing inert filler material equal to or greater than thirty-five percent (35%) by weight pursuant to 326 IAC 20-25-2(12).

HAP monomer contents shall be calculated on an unfilled basis, which means excluding any filler. Compliance with these HAP monomer content limits shall be demonstrated on a monthly basis.

Gel coats or resins with HAP monomer contents lower than those specified in the table in this subsection or additional emission reduction techniques approved by IDEM, OAQ may be used to offset the use of gel coats or resins with HAP monomer contents higher than those specified in the table in this subsection. This is allowed to meet the HAP monomer content limits for resins and gel coats and shall be calculated on an equivalent emissions mass basis as shown below:

(Emissions from higher than compliant HAP monomer content resin or gel coat) - (Emissions from compliant resin or gel coat) # (Emissions from compliant resin or gel coat) - (Emissions from lower than compliant resin or gel coat and/or using other emission reduction techniques).

Where: Emissions, lb or ton = M (Mass of resin or gel coat used, lb or ton) \* EF (HAP monomer emission factor for resin or gel coat used);  
EF, HAP monomer emission factor = emission factor, expressed as pounds (lbs) VOC or HAP emitted per ton of resin/gel coat processed, which is indicated by the HAP monomer content, method of application, and other emission reduction techniques for each resin and gel coat used.

- (ef) Non-atomized spray application technology shall be used to apply unfilled production resins. Non-atomized spray application technology includes flow coaters, flow choppers, pressure-fed rollers, or other non-spray applications of a design and specifications approved by IDEM, OAQ.

If it is not possible to apply a portion of unfilled resins with non-atomized spray application technology, equivalent emissions reductions must be obtained via use of other emission reduction techniques. Examples of other emission reduction techniques include, but are not limited to, lower HAP monomer content resins and gel coats, closed molding, vapor suppression, vacuum bagging/bonding, or installing a control device.

- (fg) Optimized spray techniques according to a manner approved by IDEM, OAQ shall be used for the application of all gel coats and filled resins (where fillers are required for corrosion or fire retardant purposes) at all gel coat booth production operations. A filled resin means a resin containing inert filler material equal to or greater than thirty-five percent by weight pursuant to 326 IAC 20-25-2(12). Pursuant to 326 IAC 20-25-2(16) an inert filler means any non-HAP material, such as silica micro-spheres or micro-balloons, added to a resin or gel coat to alter density of the resin or gelcoat or change other physical properties of the resin or gel coat. This term does not include pigments. Optimized spray techniques include, but are not limited to, the use of airless, air assisted airless, high volume low pressure (HVLP), or other spray applicators demonstrated to the satisfaction of IDEM, OAM, to be equivalent to the spray applicators listed above.

HVLP spray is the technology used to apply material to substrate by means of application equipment that operates between one-tenth (0.1) and ten (10) pounds per square inch gauge (psig) air pressure measured dynamically at the center of the air cap and at the air horns of the spray system.

- (gh) The listed work practices shall be followed in Plants 1 and 2:

- (1) To the extent possible, non-VOC, non-HAP solvent shall be used for cleanup.
- (2) For VOC and/or HAP containing materials:
  - (A) Cleanup solvent containers shall be used to transport solvent from drums to work.
  - (B) Cleanup stations shall be closed containers having soft gasketed spring-loaded closures and shall be kept completely closed when not in use.
  - (C) Cleanup rags saturated with solvent shall be stored, transported, and disposed of in containers that are closed tightly.
  - (D) The spray guns used shall be the type that can be cleaned without the need for spraying the solvent into the air.



- (E) All solvent sprayed during cleanup or resin changes shall be directed into containers. Such containers shall be closed as soon as solvent spraying is complete and the waste solvent shall be disposed of in such a manner that evaporation is minimized.
- (F) Storage containers shall be kept covered when not in use.

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Operation Condition #4, limiting VOC emissions from Plant 2 to 24.0 tons per rolling 12-month period. The following flash-off emission factors shall apply for the facilities materials and operations: polyester resin - 11%, polyester gelcoat - 30.5%, and flush - 100%.

Reason not incorporated: The limit was written to render the requirements of 326 IAC 8-1-6 not applicable. The BACT determination for the Plant 2 fiberglass operations satisfies 326 IAC 8-1-6. Therefore, this twenty four (24) ton per year limit has been replaced by the 90.1 tons per twelve (12) consecutive month period limit coupled with the BACT conditions. The emission factors have also been replaced by the emission factors cited in (b)(3)(B) of this condition.

- 4. Existing Report Forms: The Plant 1 (Units EU1 and EU2) report form will be eliminated because the respective VOC limit has been removed. The Plant 1 (Units EU3 and EU4) report form will be eliminated because the respective VOC limit has been removed. The Plant 2 (Units EU5 and EU6) report form shall be amended to reflect the 99 tons/yr VOC limit instead of the original 90.1 tons/yr VOC limit.
- 5. New Section D: A new Section D.4 shall be created to include the new proposed equipment.

#### **SECTION D.4 FACILITY OPERATION CONDITIONS**

##### **Facility Description [326 IAC 2-7-5(15)]:**

- (a) One (1) surface coating spray booth, identified as EU7, located in Building 3, equipped with high volume low pressure (HVLP) spray applicators, applying basecoats at a maximum rate of 3.52 gallons per hour and utilizing thinner and clean-up solvents at a maximum rate of 16 ounces per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 8.
- (b) One (1) surface coating spray booth, identified as EU8, located in Building 3, equipped with high volume low pressure (HVLP) spray applicators, applying clear coats at a maximum rate of 2.88 gallons per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 9.
- (c) One (1) 0.60 MMBtu/hr natural gas fired paint bake oven, identified as EU9, located in Building 3, with emissions exhausted through Stack 10.

- (d) One (1) 0.60 MMBtu/hr natural gas fired paint bake oven, identified as EU10, located in Building 3, with emissions exhausted through Stack 11.
- (e) One (1) surface coating touch-up spray booth, identified as EU11, located in Building 3, equipped with high volume low pressure (HVLP) spray applicators, applying touch-up coatings at a maximum rate of 5 ounces per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 12.(f)  
One (1) surface coating touch-up spray booth, identified as EU12, located in Building 3, equipped with high volume low pressure (HVLP) spray applicators, applying touch-up coatings at a maximum rate of 5 ounces per hour, with particulate emissions controlled by a dry filter system, and with emissions exhausted through Stack 13.
- (f) One (1) Paint Mixing Room, identified as EU13, with emissions exhausted through Stack V14.

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

6. New Condition D.4.1: New Condition D.4.1 shall be added to include the new applicable 326 IAC 8-1-6 requirements.

#### **Emission Limitations and Standards [326 IAC 2-7-5(1)]**

##### **D.4.1 State BACT Requirements [326 IAC 8-1-6]**

Pursuant to 326 IAC 8-1-6 (New facilities: general reduction requirements), the owner or operator shall, for Units EU7, EU8, EU11 and EU12, comply with the following:

- (a) The owner or operator shall use HVLP spray applicators;
- (b) The owner or operator shall limit the combined volatile organic compound (VOC) emissions to less than or equal to 67 tons per year, based on a 12 month rolling total. Compliance with this limit shall satisfy the requirements of 326 IAC 8-1-6 and render 326 IAC 2-2 (Prevention of Significant Deterioration) and 40 CFR 52.21 not applicable in this case;
- (c) The owner or operator shall comply with the following work practice requirements:
  - (1) All coatings shall be applied according to the methods specified in the training program required in Part (e) of this Condition.
  - (2) All surface coating equipment shall be cleaned as follows:
    - (A) The surface coating equipment shall be cleaned utilizing water based solvents only.
    - (B) When flushing the surface coating equipment during clean-up and/or coating changes, the owner or operator shall utilize water based solvents only and direct the flushing solvents into solvent collection containers.

- (C) The owner or operator shall by dispose all collected waste coatings, cleanup solvents, and clean-up rags that contain waste solvents and/or coatings, such that VOC emissions are minimized.

(3) All of the following materials shall be stored in closed containers:

- (A) all surface coatings applied that contain volatile organic compounds (VOC),
- (B) all other useable materials that contain VOCs,
- (C) all clean-up rags that contain VOCs, and
- (D) all waste materials that contain VOCs.

All materials not listed in (c)(3)(A) through (c)(3)(D) may be stored in any type of container, but shall be stored in such a manner as to minimize the potential for spills and other pollutant emissions;

and

(4) Each container subject to the requirements of this Condition shall be maintained such that:

- (A) there are no visible gaps when the lid is closed,
- (B) each applicable container closed at all times, except when:
  - (i) equipment is being placed in or removed from the container,
  - (ii) VOC containing materials are being added or removed,
  - (iii) mixing equipment is being placed into or removed from a container, or
  - (iv) when mixing or container cleanup is taking place; and

- (C) the potential for spills and other pollutant emissions is minimized.

- (d) The owner or operator shall handle all materials and wastes according to the methods and procedures specified in the training program required in Part (e) of this condition.
- (e) The owner or operator shall develop and implement a training program for all new and existing personnel, including contract personnel, whose activities may reasonably be expected to directly affect VOC emissions from all operations associated with surface coating units EU7, EU8, EU11, and EU12, based on the following requirements.

(1) Training Techniques and Procedures:

The training program shall consist of initial and refresher training, with said training including, at a minimum, the appropriate:

- (A) application techniques,
- (B) equipment cleaning procedures,
- (C) equipment setup and adjustment to minimize material usage and overspray, and
- (D) other material storage and handling techniques that minimize regulated pollutant emissions.

**(2) Training Schedule:**

**Each applicable employee shall be trained the techniques and procedures required in this Condition according to the following schedules:**

- (A) All applicable personnel hired after issuance of this permit, shall be trained within fifteen (15) days of hiring, unless the person(s) hired has written documentation demonstrating that they have up-to-date training, and has provided documentation to the new employer demonstrating that they have received training that satisfies the requirements of the training program required in this condition.**
- (B) All applicable personnel hired prior to issuance of this permit, shall be evaluated by a supervisor within 30 days of the date of issuance of this permit. Should the supervisor determine that training of any evaluated employee is required, the owner or operator shall train said employee within fifteen (15) days of the evaluation.**
- (C) All applicable personnel subject to the training requirements of this Condition shall be given refresher training annually, to ensure that the training goals of this Condition are maintained.**

7. New Condition D.4.2: New Condition D.4.2 shall be created to include the new single and combined HAP emission limits required to avoid the requirements of 326 IAC 2-4.1.

**D.4.2 Hazardous Air Pollutant (HAP) Emission Limitations [326 IAC 2-4.1]**

**The owner or operator shall limit the single and combined HAP emissions to less than or equal to 10 and 25 tons per year, respectively, based on a 12 month rolling total. Compliance with these limits shall render the requirements of 326 IAC 2-4.1 not applicable in this case.**

8. New Condition D.4.3: New Condition D.4.3 shall be created to include the new 326 IAC 6-3 particulate matter (PM) requirements.

**D.4.3 Particulate Matter (PM) Overspray Control Requirements [326 IAC 6-3]**

**Pursuant to 326 IAC 6-3-2(d), the owner or operator shall install, operate, and maintain a dry particulate filter, waterwash, or equivalent control system at Units EU7, EU8, EU11, and EU12. Said control systems shall be operated in accordance with the manufacturer's specifications.**

9. New Condition D.4.4: New Condition D.4.4 shall be added to require a preventive maintenance plan for the equipment and control devices proposed in this application.

**D.4.4 Preventive Maintenance Plan [326 IAC 2-7-5(13)]**

**A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for these facilities and any control devices.**

10. New Condition D.4.5: New Condition D.4.5 shall be added to require the owner or operator to operate the dry filter systems at all times the respective coating booths are in operation.

**D.4.5 Operation of Control Equipment**

**The dry filter system(s) of the Units EU7, EU8, EU11, and EU12, shall be in operation at all times the respective unit(s) is/are in operation.**

11. New Condition D.4.6: New Condition D.4.6 shall be added to require the owner or operator to determine the VOC emissions from Units EU7, EU8, EU11, and EU12.

**D.4.6 Compliance Determination, Paint Booth VOC Emission Limit**

**To determine compliance with the VOC limit of Condition D.4.1(b), the owner or operator shall on a monthly basis, determine:**

- (a) the individual worst case as applied VOC emissions from each solvent and coating applied at Units EU7, EU8, EU11, and EU12, utilizing information obtained from each coating's "As Supplied" and "As Applied" VOC data sheets and production information,**
- (b) the sum total VOC emissions from each unit, and**
- (c) the sum total of all VOC emissions from all four units.**

**All emissions determined in this condition shall be expressed in tons per month.**

12. New Condition D.4.7: New Condition D.4.7 shall be added to require the owner or operator to determine the individual and combined HAP emissions.

**D.4.7 Compliance Determination, Paint Booth Hazardous Air Pollutant Emission Limits**

**To determine compliance with the HAP limits of Condition D.4.2, the owner or operator shall, on a monthly basis, determine:**

- (a) the individual worst case as applied HAP emissions, from each solvent and coating applied at Units EU7, EU8, EU11, and EU12, utilizing information obtained from the respective coating and solvent material safety data sheets (MSDS) and production information,**
- (b) the sum total emissions for each specific HAP from each unit,**
- (c) the sum total emissions for each specific HAP from all four units,**
- (d) the sum total of all HAP emissions from each unit, and**
- (e) the sum total of all HAP emissions from all four units.**

**All emissions determined in this condition shall be expressed in tons per month.**

13. New Condition D.4.8: new Condition D.4.8 shall be added to require the owner or operator to record the VOC emissions required to be determined.

**D.4.8 Compliance Monitoring, Paint Booth VOC Limit**

**The owner or operator shall, on a monthly basis, record the VOC emissions determined in Condition D.4.6.**

14. New Condition D.4.9: New Condition D.4.9 shall be added to require the owner or operator to record the HAP emissions required to be determined.

**D.4.9 Compliance Monitoring, Paint Booth HAP Limit**

**The owner or operator shall, on a monthly basis, record the HAP emissions determined in Condition D.4.7.**

15. New Condition D.4.10: New Condition D.4.10 shall be added to require the owner or operator to monitor the dry filter systems of Units EU7, EU8, EU11, and EU12.

**D.4.10 Compliance Monitoring, Paint Booth PM Overspray Limit**

The owner or operator shall, for the controls and exhaust of Unit EU7, EU8, EU11, and EU12:

- (a) perform daily inspections of the dry filters of each unit and record the results of said inspections documenting whether or not the placement, integrity and particle loading of the filters is adequate,
- (b) perform weekly observations of the overspray emissions from the exhaust stacks of units EU7, EU8, EU11, and EU12, and record the results of said observations, documenting whether or not the dry filters are performing adequately during normal operation of the respective units,
- (c) perform monthly inspections of the stacks of units EU7, EU8, EU11, and EU12, and record the results of said inspections, documenting whether or not the emissions from the stack are normal and if there is overspray present on the rooftops and the nearby ground, and
- (d) perform all additional inspections and observations prescribed by the Preventive Maintenance Plan.

Should the owner or operator observe that the integrity and particle loading of the filters is not adequate, that the dry filters are not performing adequately during normal operation of the paint booth, that there is a noticeable change in overspray emissions from the stack or surrounding evidence of abnormal overspray emissions, or that there are any parameters under the Preventive Maintenance Plan that are determined to be abnormal, the owner or operator shall take the appropriate response steps as specified in the Compliance Response Plan required in Condition C.17.

16. New Condition D.4.11: New Condition D.4.11 shall be added to require the owner or operator to maintain records of all information required to be recorded.

**D.4.11 Record Keeping Requirements**

- (a) To document compliance with the VOC emission limit of Condition D.4.1(b), the owner or operator shall maintain records of the emissions recorded in Condition D.4.8.
- (b) To document compliance with the HAP emission limits of Condition D.4.2, the owner or operator shall maintain records of the emissions recorded in Condition D.4.9.
- (c) To document compliance with the PM overspray limit of Condition D.4.3, the owner or operator shall maintain a log of weekly overspray observations, daily and monthly inspections, and those additional inspections prescribed by the Preventive Maintenance Plan, as required in Condition D.4.10.

The records required under paragraphs (a), (b), and (c) of this Condition shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

17. New Condition D.4.12: New Condition D.4.12 shall be added to require the owner or operator to submit quarterly reports of the VOC and HAP emissions required to be determined.

#### **D.4.12 Reporting Requirements**

**A quarterly summary of the information to document compliance with Conditions D.4.1(b) and D.4.2 shall be submitted to the address(es) listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).**

18. New Quarterly Report Forms: Three new quarterly report forms shall be added to provide report forms for the reports required for the VOC and HAP emission limits established.
19. Changes to the Table of Contents: The Table of Contents shall be changed to include the new requirements established for the proposed equipment.

#### **Conclusion**

The proposed modification shall be constructed and operated according to the provisions of the existing Part 70 permit, the requirements of attached proposed Significant Source Modification No. 039-16503-00104, and the requirements of Significant Permit Modification 039-16130-00104.